DOCUMENT RESUME

ED 078 290 AC 014 482

AUTHOR	Waldman, Saul
TITLE	Retirement Systems for Employees of State and Local Governments...1966. Findings of a Survey of Systems Whose Members Were Not Covered under the OASDHI Program.
INSTITUTION	Social Security Administration (DHEW), Washington, D.C. Office of Research and Statistics.
REPORT NO	SS-RR-23
PUB DATE	68
NOTE	122p.
AVAILABLE FROM	Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 ($.40)
EDRS PRICE	MF-$0.65 HC-$6.58
DESCRIPTORS	*Local Government; *Retirement; *State Programs; Statistical Data; *Surveys

ABSTRACT

A study of retirement systems not under the Federal program is presented. It contains a discussion of the systems' provisions governing retirement for age and service, disability retirement, and death benefits. Also included is information about early retirement, automatic increases, and the vesting of benefit rights. A separate analysis is presented on the provisions of systems for policemen and firemen. (Author/CK)

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RETIREMENT SYSTEMS FOR EMPLOYEES OF STATE AND LOCAL GOVERNMENTS . . . 1966

findings of a survey of systems whose members were not covered under the OASDHI program

AC 014482

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RETIREMENT SYSTEMS FOR EMPLOYEES OF STATE AND LOCAL GOVERNMENTS . . . 1966

findings of a survey of systems whose members were not covered under the OASDHI program

by Saul Waldman

U.S. DEPARTMENT OF
HEALTH, EDUCATION, AND WELFARE
SOCIAL SECURITY ADMINISTRATION
OFFICE OF RESEARCH AND STATISTICS
RESEARCH REPORT NO. 23

Library of Congress Catalog Number: HEW 68-7

United States
Government Printing Office
Washington : 1968

For sale by the Superintendent of Documents ,U.S. Government Printing Office
Washington, D.C. 20402 - Price 40 cents

FOREWORD

RETIREMENT SYSTEMS for employees of State and local governments were among the first public forms of protection developed to assist workers and their families in solving the problems posed by death, disability, and old age. As part of its responsibility for studying the problems of economic insecurity and methods of providing protection against it, the Social Security Administration has long included studies of State and local systems among its research activities. A 1944 report issued by the Social Security Board represented one of the landmark studies in this area. More recently, reports were issued on the findings of the 1961 and 1965 surveys of State and local systems whose members were covered under the old-age, survivors, disability, and health insurance (OASDHI) program.

The present study of retirement systems not under the Federal program completes the current review of information on the scope of protection provided by State and local systems. It contains a discussion of the systems' provisions governing retirement for age and service, disability retirement, and death benefits, placing special emphasis on provisions for survivors, a comparatively recent development within the State and local systems. Also included is information about such matters of current interest as early retirement, automatic increases in benefit amounts for retired persons, and the vesting of benefit rights. A separate analysis is presented on the provisions of systems for policemen and firemen.

We are indebted to Joseph Krislov, currently on the faculty of the University of Kentucky, who as a member of the staff of the Office of Research and Statistics planned the present study, developed the questionnaire, and prepared the preliminary tabulation plans and later, as a consultant, advised on various aspects of the study.

IDA C. MERRIAM,

Assistant Commissioner for Research and Statistics.

SEPTEMBER 1967.

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Chapter 1

SUMMARY OF FINDINGS

THE DEVELOPMENT of State and local retirement systems in the latter part of the 19th century represented one of the first public efforts in this country to protect the worker against the risks of old age, disability, and premature death. The earliest of these systems confined their coverage to special groups of employees, such as policemen and firemen, teachers, or judges, and generally provided limited benefits only in the event of death or disability. They were usually locally administered systems financed entirely by the employing government or by the employees themselves. Funds were often obtained from sporadic appropriations or from unusual sources.

The first municipal pension fund established by law was a system introduced in 1857 to cover members of the New York City police force. The plan provided payments in the event of death or disability and was financed, in part, from the sale of confiscated and unclaimed property. In some cases, voluntary mutual benefit societies of government employees provided the basis for later public legislation.

Retirement systems covering employees of general government departments made their appearance early in the 20th century; the first such system covering general employees of a State government was established in 1911 in Massachusetts.

Gradually, these early systems began to resemble their modern counterparts: Provisions were introduced permitting retirement for age and service, membership was made compulsory, and the principle of joint contributions by both employees and employers gained wide acceptance. By the early 1940s, about one-half of all State and local employees had some type of coverage under a retirement system.[1] Based on data from the 1962 Census of Governments, it is estimated that three out of four employees now have such protection.[2]

When the Social Security Act was passed in 1935, employees of State and local governments were among the many employment groups that were excluded from coverage for a variety of legal and administrative reasons. The 1951 amendments to the act permitted coverage,

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[1] Dorothy F. McCamman, *The Scope of Protection Under State and Local Governmer. Retirement Systems*, Social Security Board, 1944.

[2] U.S. Department of Commerce, Bureau of the Census, 1962 Census of Governments, *Compendium of Public Employment*, Vol. III.

under an agreement between the State and Federal governments and at the option of the State, of those employees not under retirement systems. Legislation enacted in 1954 made OASDHI coverage available to most employees under retirement systems, provided the group of employees involved voted in favor of coverage.

Generally, all members of a retirement system are covered under OASDHI if the majority of the group's members vote affirmatively. However, under the "divided retirement system" provision, applicable in specified States named in the law, only those members who initially elected to be covered were brought under OASDHI, but all new members are automatically covered on a compulsory basis. Also, certain provisions permit coverage of only part of the membership—for example, those members of a statewide system employed by various local governments—and the noncovered groups are permanently excluded, unless additional arrangements are made.

As a result of these provisions, some retirement system members in nearly all States have OASDHI coverage, although as will be shown later, the extent of this coverage varies considerably among them.

The results of this survey are based on a January 1966 survey of all State and local retirement systems with 1,000 or more members who were not covered under the Federal OASDHI program. A total of 87 systems with 1.4 million active members are represented in the survey, including 24 systems for policemen and firemen exclusively.

Major Findings

The survey findings indicate that, during the postwar years, the retirement systems have considerably strengthened the protection they provide for their members. The greatest improvements have been in provisions for monthly benefits for disability and death—types of protection offered by nearly all the systems in the survey.[3]

The type of protection offered by OASDHI has been one of the factors influencing the direction of improvements of those systems whose members have not come under the Federal program (as well as the systems whose members were brought under coverage).[4] The influence on noncovered systems is most apparent in new provisions

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[3] For a description of the retirement systems in the early 1940s, see Dorothy F. McCamman, *op. cit.* Although information is not available from that study on the specific systems in this survey, the improvements have been so widespread as to indicate revision of the great majority of systems.

[4] For information on adjustments made by systems electing OASDHI coverage, see Joseph Krislov, *State and Local Government Retirement Systems . . . 1965*, Research Report No. 15, and Joseph Krislov, *A Survey of State and Local Government Retirement Systems*, 1961, Office of Research and Statistics, Social Security Administration.

for monthly benefits to widows and children resembling the provisions for survivors in the OASDHI program.

The study also reveals an apparent modification of the principle of individual equity (under which benefits are based solely on the contributions or credits of the member) that has been an important element of the benefit provisions of many systems. Relatively few systems in the survey, for example, still use the money purchase method of computing benefits, under which benefits are actuarially based on the contributions credited to a member's account. Modification of this principle is revealed, too, in the growing tendency toward providing full or substantial benefits, without regard to contributions or length of service, to disabled members and, especially, to the survivors of deceased members.

Summaries of the findings of the survey in tabular and descriptive form follow. (Retirement systems for policemen and firemen are treated separately because of their special characteristics.)

Provision	General systems		Systems for policemen and firemen	
	Number	Employees, percent	Number	Employees, percent
Total	63	100. 0	24	100. 0
Retirement for age and service	63	100. 0	24	100. 0
Involuntary retirement	54	79. 0	19	79. 5
Early retirement	53	93. 6	6	48. 8
Automatic adjustment of benefits	10	12. 3	7	26. 1
Health plan after retirement	51	67. 6	23	93. 7
Vesting	39	92. 0	6	36. 5
Retirement for disability, non-service-connected	62	99. 9	22	96. 5
Monthly survivors benefits, non-service-connected:				
Widow of active member, with children	60	99. 5	24	100. 0
Widow of active member, without children	58	99. 1	24	100. 0
Widow of retired member (specified benefits)	21	20. 7	22	69. 5

Findings for General Systems

RETIREMENT FOR AGE AND SERVICE

Eligibility.—To qualify for normal retirement benefits, members usually had to meet both age and length-of-service requirements (typically age 60 and 10–20 years of service), but many systems per-

mitted retirement on the basis of age alone (age 60–65), and a few for service alone (30–35 years). The normal retirement age was usually age 60 or 65, with the earlier age predominating. Many employees continued to work beyond the age at which normal retirement first became available. In most systems members were required, usually at the discretion of the employer, to retire at a specified age, most commonly 70.

Benefit amounts.—The amount of the retirement benefit nearly always was based on the member's average salary (usually that earned during the high 5 years) and his length of service. The benefit was usually determined by computing a percentage of salary for each year of service, commonly 1⅔ to 2½ percent. Some systems provided a minimum benefit of $30–$70 monthly or $6–$7 per year of service. At age 65, an illustrative[5] median benefit for 10, 20, and 30 years of service would have replaced 21, 40, and 54 percent of salary, respectively. The actual average benefit amount awarded in fiscal year 1965 was about $240 monthly.

Early retirement.—Most systems permitted the employee to retire before reaching the normal retirement age, provided he accepted a permanently reduced benefit. The early retirement age was almost always age 55 and usually a length-of-service requirement ranging from 5 to 30 years was needed in order to qualify. Some systems required only a specified period of service (30–35 years). The reduction in the benefit amount usually approximated an actuarial reduction.

Adjustment of benefits after retirement.—A few systems provided for automatic increases in benefits to persons on the retirement rolls, usually an increase of 1 to 1½ percent annually. An across-the-board increase in benefits under *ad hoc* legislation was provided by almost one-half of the systems during the 3-year period 1963–65.

Health plan.—Most retirees were in systems that permitted retired employees to join a group health plan. The employer often contributed to the cost.

Vesting.—Most systems had provisions for vesting (preserving) the benefit rights of employees who terminate their employment before reaching retirement age, dependent usually on the completion of 5–20 years of service.

RETIREMENT FOR DISABILITY

Eligibility.—Eligibility for non-service-connected disability retirement usually was dependent on meeting a length-of-service require-

[5] The illustrative benefits for normal retirement and other benefit categories were based on assumed monthly salaries of $400, $500 and/or $600.

ment of 5–15 years, with the larger systems usually requiring five. Most systems used an occupational definition of disability under which the member had to be unable to perform his usual job.

Benefit amounts.—The disability benefit usually was computed in the same manner as for age-and-service retirement, but a lower percentage factor was often used. Most employees were in systems that provided a modified formula or other method of computation under which the benefit amount was figured without regard to length of service or which provided a minimum benefit for all eligible members. An illustrative median benefit for a member aged 50 with 20 years of service would have replaced 39 percent of his average salary. The average benefit amount for disability (non-service and service-connected combined) awarded in fiscal year 1965 was $185 monthly.

SURVIVORS BENEFITS

Widows and children.—Many of the provisions dealing with eligibility and the amount of benefits for survivors were modeled, when they were adopted, on those of the OASDHI program. Eligibility usually was acquired with 2, or fewer, years of service. The typical benefit was a flat-rate payment of $150–$200 monthly for a widow with one child, $50–$75 additional for a second child, and a maximum family benefit of $235–$255. In some systems, the amount was computed as a percentage of salary, with similar maximum family benefits.

Widows without children.—Most members were in systems under which benefits for widows without children were restricted to widows aged 50–62, or the widows of members who had at least 15 years of service. The benefit was usually a flat-rate amount of $90–$125 monthly, but for older widows it sometimes was based on the member's accumulated credits.

Widows of retired members.—The relatively few systems that provided specified benefits to widows of retired members usually paid from 50 to 75 percent of the member's regular retirement pension. Virtually all of the systems, including those with specified benefits, made available a joint-and-survivor option, but the experience of the systems indicates that relatively few retirees elected it.

CONTRIBUTIONS

All the systems were jointly financed by employees and employers. The employee usually contributed from 5 to 7 percent, and the employer from 6 to 9 percent, of the employee's total salary.

Findings for Systems for Policemen and Firemen

RETIREMENT FOR AGE AND SERVICE

Eligibility.—Most systems required that members meet both an age (typically, age 50–55) and length-of-service requirement (20–25 years) for normal retirement, but many permitted retirement for service alone after 20–25 years of employment. Most systems required the "automatic" retirement of members sometime between the ages of 60 and 65.

Benefit amounts.—Benefits under all systems were based on the member's average salary, usually during his highest 3–5 years, and his length of service. The benefit formula usually provided from 40 to 50 percent of salary upon completion of the 20–25 year eligibility period, plus a relatively small increase for each additional year of service.

Other provisions.—Automatic increases in benefits, usually based on the increases granted active employees, were provided under the laws of about one-third of the systems. Few systems permitted early retirement or provided for the vesting of benefit rights. Nearly all systems permitted retired members to participate in a group health plan, but few contributed to the cost.

RETIREMENT FOR DISABILITY

Non-service-connected disability.—Most systems had no requirements, or a service requirement of 5 years or less, for disability retirement and defined disability on an occupational basis. The benefit amount was usually a specified percentage of salary (usually 50 percent), or a percentage of salary for each year of service (1.5–2.0 percent) with a minimum benefit provision.

Service-connected disability.—None of the systems had any age or service requirements and most used an occupational definition of disability. The benefits usually were calculated to provide from 50 to 75 percent of the member's salary.

SURVIVORS BENEFITS

Non-service-connected death.—All the systems paid benefits to widows regardless of age, and most provided additional benefits for children of deceased workers. There were generally no eligibility requirements, but a few systems required from 5 to 20 years of service. The benefit commonly was computed as from 20 to 40 percent of the member's salary for a widow, and from 45 to 50 percent for a widow with two children. Some systems based the basic benefit on the member's accrued credits, although additional benefits usually were provided for children.

Service-connected death.—All systems provided benefits, generally without service requirements. The benefit was usually 50 percent of the

member's salary for a widow and from 60 to 70 percent for a widow with two children, but a few systems paid flat-rate benefits.

Widows of retired members.—Most systems paid specified benefits to the widow of a member who died after retirement, usually from 25 to 100 percent of the member's retirement benefits, but often 25–50 percent of his salary or a flat-rate benefit of between $60 and $90 monthly. A joint-and-survivor option generally was available only in those systems that did not provide specified benefits.

CONTRIBUTIONS

All systems were financed by contributions from employees and employers. Employee contributions generally ranged from 5 to 7½ percent of total salary, while employer contributions were considerably higher, usually in the 9–18 percent range.

Chapter 2

DESCRIPTION OF THE SURVEY

THE SYSTEMS to be surveyed were drawn from those listed in the 1962 Census of Governments.[1] The systems with incomplete OASDHI coverage resulting from a "divided retirement system" election were omitted from the survey since eventually all their members will be covered, but systems that are permanently divided under other provisions were generally included. Excluded from the systems to be surveyed were closed systems, which did not accept new employees; supplementary systems, containing employees who received substantial protection under another public retirement system; and systems that covered unsalaried employees such as volunteer firemen.

The systems selected for inclusion in the survey also were restricted to those with 1,000 or more members. About 90 percent of all employees in noncovered systems were estimated to be under plans with more than 1,000 members.

The final list of systems to be surveyed contained 100 retirement systems, including 25 for policemen and firemen exclusively, with an estimated total of 1.5 million members in January 1966. Questionnaires (copies of which are reproduced at the end of this report) were mailed to system administrators by the Bureau of the Census, acting as agent for the Department of Health, Education, and Welfare. The extent of response was good, as is indicated in the following tabulation:

Response	General systems		Police and fire systems	
	Number of systems	Employees[1] (in thousands)	Number of systems	Employees (in thousands)
Respondents	63	1,303	24	69
Nonrespondents	12	82	1	1

[1] Estimated.

It is estimated that the 63 responding general systems included 94 percent of the total membership of all the systems that were surveyed. Only one police and fire system failed to respond. In total, the employ-

[1] U.S. Department of Commerce, Bureau of the Census, 1962 Census of Governments, *Employee-Retirement Systems of State and Local Governments*, Vol. VI (Topical Studies), No. 1.

ees in the responding systems represented an estimated one-fourth of all members of State and local retirement systems.

The 12 general systems that did not respond included a system with approximately 40,000 members, and 11 others with less than 5,000 members each. Despite the fact that six nonresponding systems were located in Massachusetts, that State's systems are very well represented in the survey, as is indicated later. The other six systems that did not return questionnaires show no special State or regional concentration.

Systems for policemen and firemen are analyzed separately in this report because their provisions, while quite homogeneous among themselves, tend to differ considerably from those of the general systems. The term "general systems" refers to all systems other than those for policemen and firemen and this usage differs from that of the Census Bureau and other agencies. The term "members" refers to those who were active and currently contributing to the systems and is used synonymously with the term "employees."

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Chapter 3

GENERAL SYSTEMS

THE GENERAL systems responding to the survey were of many different types, including those of States, municipalities, counties, and special districts. Some of them included employees of many government departments, while the membership in others was limited to such groups as public school employees or teachers, university teachers, laborers, or park department workers. Most of the systems were administered by local government bodies, but the largest ones were State administered.

General Characteristics

Distribution of the responding general systems by States was affected by the fact that in many areas all of the systems with 1,000 or more members were under the Federal program and the State therefore is not represented in this study. All of the 20 States that had noncovered systems of 1,000 or more members are represented. Of these, such States as Ohio, Massachusetts, Nevada, and Colorado have virtually none of the members of their retirement systems covered under OASDHI. Others, such as California, Illinois, Florida, and Missouri, have obtained Federal coverage for a substantial number of their members, but still have many uncovered employees.

On the basis of the number of employees, the survey is dominated by three States—Ohio, with 333,000 members; California, with 261,000; and Illinois, with 217,000. These States alone therefore contained 810,000 members, or 62 percent of the total (table A). The leading State by number of retirement systems is Massachusetts, which contributed 18 systems (with 95,000 members), followed by Illinois, with nine systems, and California with six.

In this connection, it is worthy of note that the retirement systems within many States have similar provisions. In Massachusetts, all the State and locally administered systems had virtually identical provisions, and most of the Illinois and California retirement systems were quite similar.

The distribution by State, ranked by size of membership, is shown below:

State	Systems	Employees (in thousands)
Total	63	1,302.8
Ohio	4	332.8
California	6	260.7
Illinois	9	216.8
Massachusetts	18	94.6
Louisiana	3	81.1
Florida	3	63.9
Colorado	2	59.2
Missouri	1	35.0
Maine	1	34.2
Connecticut	2	33.0
Kentucky	1	30.0
Nevada	1	18.2
Georgia	1	12.8
Minnesota	3	10.4
Texas	2	9.1
Alaska	1	3.2
Tennessee	1	2.7
New Jersey	2	2.4
Virginia	1	1.5
Nebraska	1	1.1

The distribution of general systems and members by size of the systems is indicated in a tabulation on page 12. The two largest systems in the survey, the California teachers (200,000 members) and the Ohio public employees (167,000 members), contained 28 percent of the total membership. The systems with 50,000 or more employees, eight in number, contained almost 60 percent of the total membership. This group includes (in addition to the two systems mentioned above) two Ohio systems, two Illinois systems, one Colorado, and one Florida system.

Systems with fewer than 2,000 members numbered 18 (including 12 Massachusetts systems) and contained only 2 percent of the total membership. Included among these were two systems that unexpectedly reported slightly fewer than 1,000 employees but were nevertheless left in the study. About one-half of the retirement systems in the survey had fewer than 5,000 members and these made up 5 percent of the total membership.

Size of membership	Systems		Employees	
	Number	Percentage distribution	Number (in thousands)	Percentage distribution
Total	63	100.0	1,302.8	100.0
Under 2,000	18	28.6	25.7	2.0
2,000 to 4,999	14	22.2	41.8	3.2
5,000 to 9,999	6	9.5	39.1	3.0
10,000 to 24,999	9	14.3	153.2	11.8
25,000 to 49,999	8	12.7	277.0	21.3
50,000 to 99,999	6	9.5	399.0	30.6
100,000 and over	2	3.2	367.0	28.2

Retirement for Age and Service

REQUIREMENTS FOR PARTICIPATION

Many State and local retirement systems permit all employees of the governmental entity covered by the systems to become members immediately after being hired. Some systems impose requirements that temporarily exclude certain employees from membership. These requirements may bar from participation persons who have not reached a minimum age or limit membership to employees who have completed a specified period of service. Systems may also impose a maximum age requirement that permanently excludes older employees. The age requirements of the retirement system often are coordinated with those imposed by the employing government for employment.

A minimum period of service was required by seven systems and the usual waiting period for membership was 6 or 12 months. Only one system reported a minimum age, which was 18. In total, only 7 percent of the members were in systems with a requirement that may temporarily bar membership (table 1).

A maximum age was imposed by 27 systems, including the 18 in Massachusetts, with 20 percent of the members. These requirements usually barred persons over age 60 from membership, although the maximum age in a few systems was 50–55.

ELIGIBILITY FOR NORMAL RETIREMENT

State and local retirement systems have long made retirement available at a younger age than 65, traditionally used by many social insurance and private industrial pension plans. As early as 1944, a

Social Security Board report showed that many systems provided normal retirement at age 60, and the present survey indicates little change in this aspect of the retirement provisions.

The normal retirement age, as used here, is considered to be the youngest age at which an employee may retire of his own volition and still receive the full amount of retirement benefits to which he is entitled on the basis of his earnings and length of service. Similarly, where retirement is possible on the basis of service alone, normal retirement is retirement at the earliest time full benefits become available. The earliest age at which retirement for age and service is possible, with benefits reduced on account of age, is defined as the early retirement age.

Types of Requirements

Many systems have alternative eligibility requirements for normal retirement, generally offering two alternatives. Some, for example, permit members with long-term service to retire at a younger age or on the basis of service alone, without meeting any age requirement. Table 2 gives all the provisions available, and, for systems with alternatives, lists under "alternative provisions" the one offering retirement at the later age or permitting retirement on the basis of service alone. The inclusion of the provision as an alternative obviously does not indicate that it is more or less significant than the other provision. The types of requirements reported in the survey are summarized below on a duplicated basis:

Requirement	Systems	Employees (in thousands)
Total	63	1,303
Age requirement only	35	313
Service requirement only	9	309
Age and service requirement	32	1,028

A provision permitting retirement based on both age and length-of-service was the most significant type and was offered by 32 systems with nearly 80 percent of the total membership. Under this type of provision, the retirement age was most commonly 60, but 65 was also found and a few systems offered retirement at age 55. The service requirement under these provisions was typically 20 years; all the other systems required 5–33 years. Generally, where the retirement age was relatively low, the service required tended to be relatively long.

Retirement eligibility based entirely on attained age was provided under a total of 35 systems, including those in Massachusetts, but they

included only about 24 percent of the total membership. The retirement ages under these provisions were either age 60 or 65. Alternative requirements were often available.

Retirement based on service alone was offered by nine systems with 24 percent of total membership, all of which also provided alternative age or age-service provisions. The length of service required was typically 35 years, but for some small systems it was 30.

The following tabulation summarizes the earliest normal retirement age for men under the age or age-service provisions of the 63 systems in the survey:

Age	Systems	Employees (in thousands)
Total	63	1,303
55	6	91
60	30	708
62	1	6
65	26	498

Most members of the retirement systems with an age 65 requirement were in systems providing, alternatively, for retirement based on service alone, thus permitting long-term employees to retire before age 65.

Two systems provided a normal retirement age for women 5 years lower than that for men; for one system the age was 55 and in the other, 60.

Experience of the Systems

Members of retirement systems generally are not required to retire when they first become eligible for benefits, and the information obtained in the survey suggests that many employees do, in fact, continue to work after reaching the normal retirement age. The questionnaire requested data on the number of persons retiring before age 62, an age at which most systems (with over 60 percent of the members) permitted normal retirement and others offered early retirement. Of course, some employees may not have acquired sufficient service by age 62 to retire.

Only 20 percent of the men retiring in fiscal year 1965 were under age 62, in the 42 systems that listed the age of members awarded benefits during that period (table B). Of the 16 systems reporting 50 or more retirees during the year, the proportion under age 62 ranged from 7 to 46 percent.

For women, age at retirement was, on the average, somewhat lower, and 28 percent of the women retired for age and service were under age 62 (table C). Again, there was considerable variation among the

systems, with a range of 13–52 percent among those with 50 or more retirees.

These data on retirement age seem consistent with the findings of the 1965 survey of retirement systems under OASDHI, which showed that, excluding police and fire systems, only 17 percent of the men and 24 percent of the women retired before age 62.[1]

The data for persons on the retirement rolls at the end of fiscal year 1965 indicate that 9 percent of the men and 23 percent of the women were under age 62, in the 38 systems that reported this data. There was considerable variation among the systems, as would be expected, since these data reflect in part the maturity of the systems (table D).

INVOLUNTARY RETIREMENT PROVISIONS

While employees in retirement systems usually may continue to work beyond normal retirement age, the laws of many retirement systems often include provisions requiring involuntary retirement at a specified age. In addition, the personnel laws of State and local governments may also include provisions of this type. Some survey respondents indicated that the involuntary retirement provisions they described were part of the law of the governing unit, but in the main they were identified as being part of the retirement system law.

The involuntary retirement provisions are of two major types: *Compulsory retirement* requires that the member retire at a specified age unless his employer will allow him to continue working. *Automatic retirement* requires that the employee retire at a specified age, without exception. In the first case, a continuation of the worker's employment is possible at the employer's discretion; in the latter, it is not.

Of the 63 surveyed systems, 54, with 79 percent of the membership, reported some type of involuntary retirement requirement (table 3). The provisions in effect were as follows:

Provision	Systems	Employees (in thousands)
Total	63	1,303
Compulsory and/or automatic provision	54	1,029
Compulsory only	33	707
Automatic only	16	238
Compulsory and automatic	5	84

Compulsory retirement at a specific age was the more frequent provision, with age 70 and, less commonly, age 65 stipulated as the

[1] Joseph Krislov, *op. cit.*, page 9.

employment limit. In the systems with automatic retirement, age 70 was again the most common age, followed by age 65. In the few systems with both compulsory and automatic provisions, compulsory retirement at age 65 and automatic retirement at age 68–70 was the usual pattern.

Some systems volunteered the information that employees who have not completed the required period of service needed for retirement may continue to work until eligibility for retirement is established. The involuntary retirement provision would not apply in these cases.

The 1944 report of the Social Security Board showed that less than one-half of the contributory systems then had any kind of an involuntary retirement provision; the age specified commonly was 70. The findings of this survey thus indicate considerable extension of involuntary retirement provisions.

BENEFIT AMOUNT

Historically, a variety of benefit formulas have been used to compute the benefit amount payable under retirement systems. The 1944 Social Security Board report revealed widespread use of such methods as basing benefits in whole or in part on annuities purchasable with the employees' and/or employers' contributions. Various other types of money purchase arrangements were employed, as well as flat-rate benefit amounts and flat-rate amounts for each year of service.

The methods that have become increasingly prevalent in recent years and have replaced other types of formulas are those that base the benefit on the employee's recent or final salary and his length of service, as described later. The popularity of this salary-related method no doubt reflects the fact that it is more likely than others to provide a benefit related to the employee's earnings level at or near the time of retirement. Except for one system that used a money purchase arrangement, all the surveyed systems based their benefits primarily on recent salary.

Formulas based on recent salary may provide a specified percentage of income, perhaps 40 or 50 percent, upon completion of a specified period of service, but more frequently they provide a percent of salary (e.g., 1.5 or 2 percent) times number of years of service.[2]

Final Average Salary

When average salary is used as part of the formula, the method employed to calculate the average can significantly affect the benefit

[2] Since the two types of formulas based on salary are closely related, for the purpose of improving comparability, those formulas reported as a specified percent of salary by the respondent have where possible been converted to a percent of salary for each year of service. They are shown as such in table 5.

amount. Since earnings tend to rise during an employee's career, the average will tend to be higher if fewer and later years of earnings are used. The tabulation below, derived from table 4, shows the number of years used in computing the final average salary by the 62 systems that based their benefit on final average salary.

Years of earnings	Systems	Employees (in thousands)
Total	62	1,295
3	8	299
5	51	900
10	3	96

As indicated, the final average salary was most frequently related to 5 years of earnings, and several large systems used a 3-year average.

Another aspect of this calculation concerns which years are to be selected for computation of the 3-, 5-, or 10-year average. Twenty-eight systems allowed any years of employment to be used, but the other 34 systems imposed some limitations, as indicated below:

Years of employment	Systems	Employees (in thousands)
Total	62	1,295
Any years	28	523
Consecutive years	23	451
Last specified number of years	10	319
Other	1	1

The systems requiring that the years be selected from a final specified number most commonly stipulated the last 10. In some cases there were two types of limitations imposed; nine of the 23 systems requiring the inclusion of consecutive years also required that these years be within a 10-year period.

Percentage Factor

The choice of the percentage of salary to be applied to the final average salary, referred to as the percentage factor, is of course among the most important determinants of the benefit amount. The role of the percentage factor in determining the benefit amount is illustrated in

the following tabulation, which gives the benefit amount as a percentage of final salary under selected, commonly-used percentage factors:

[In percents]

Percentage factor	Years of service	
	20	30
1.50	30	45
1.67	33	50
1.75	35	52
2.00	40	60
2.50	50	75

Of the 60 systems using a percentage factor formula, 56 used a single factor (table 5). Four systems applied two percentage factors. The most typical factor was 1.67 percent, used by 20 systems with 39 percent of the membership in these systems. A factor of 1.75 percent was used by three large systems covering 27 percent of the membership, and 2 percent was used by five systems with 11 percent of the membership. The largest percentage factor reported was 2.50, used by 20 systems (including those in Massachusetts) with 12 percent of the employees.

In a few cases, systems provided an additional amount of retirement income to that computed under the formula. One system, for example, added $25 monthly to the computed benefit and another added $0.70 monthly for each year of service. A few systems specified a maximum limitation, usually 50–55 percent of salary, on the amount of the benefit computed under the formula.

In some systems, the percentage factor was increased for those employees who retired after having passed normal retirement age. For example, one large system that used a percentage factor of 1.67 at the normal retirement age of 60 computed the percentage factor at age 65 as 137 percent of this figure.

Minimum Benefit Amount Provisions

In addition to the benefits provided under the regular formulas, some retirement systems also had a minimum benefit payable to all qualified retirees. This provision, designed to assure retirees with substantial periods of service a more adequate benefit than otherwise would be payable, is generally of assistance to the lower-paid employees. The minimum benefit usually first became payable at the normal retirement age. Of the 63 systems in the survey, 19 reported having a minimum benefit provision, but these covered about 55 percent of the total membership (table 6).

In most systems, eligibility for minimum benefits required 5, 10, or 15 years of service. Two major types of benefit provisions were reported. Under one type, a flat-rate benefit was paid, ranging from $25 to $100 monthly, but usually from $30 to $70.

Under the other type of provision, the benefit is a flat amount for each year of service. This provision was part of the law governing eight systems, which covered 80 percent of the employees in systems with a minimum benefit provision. These provisions paid from $3 to $7.80 for each year of service, with $6.33–$6.67 the typical amount. The typical minimum retirement income received by employees after 10 and 20 years of service therefore was approximately $65 and $130 per month, respectively.

Illustrative Retirement Benefits for Age and Service

Table 7 shows the distribution of benefit amounts payable at age 65 to retiring male members with specified lengths of service and various average final salaries. The way the retirement systems and their members are distributed in this survey (described earlier) makes it somewhat difficult to obtain a single representative measure of benefit amounts. Therefore, benefit amounts based on the distribution of both systems and members are provided in the tables. For purposes of further analysis, the most satisfactory measure seemed to be a median based on the distribution of employees. The interquartile range (the range of benefits provided to the middle 50 percent of the employees) is also presented. All computations exclude systems where, under the assumed conditions, the member was not eligible for benefits. The benefits for male members aged 65 are summarized below:

Length of service	Benefit amount at salary intervals			Percentage of salary replaced at specified intervals					
	$400	$500	$600	$400	$500	$600	$400	$500	$600
	Median			Median			Interquartile range		
10 years	$83	$103	$124	21	21	21	18-25	17-22	17-23
20 years	162	202	242	41	40	40	36-47	34-45	35-46
30 years	217	274	317	54	54	53	52-66	51-68	52-67

In the three illustrations shown, all or nearly all the members were eligible for retirement. The regular formula for computing normal retirement benefits was the major provision affecting this distribution of benefits and the minimum benefit provisions seem to have had little effect at the earning levels selected. Reflecting these benefit formulas, most of which provide a single percent of salary for each year of service, the medians formed a generally symmetrical pattern according to average salary and years of service. The median benefit therefore replaced approximately the same proportion of salary at all three salary levels shown, and varied according to service, replacing, after 10, 20, and 30 years of employment, approximately 21, 40, and 54 percent of salary, respectively (or the equivalent of 2.1, 2.0, and 1.8 percent of salary for each year of service). The relative decline in wage replacement at the 30-year-service level reflects the provisions

of a few systems that imposed a maximum benefit limitation, or used a two-percentage-factor benefit formula based on length of service.

Due mainly to the fact, previously discussed, that some systems provide an increased benefit for persons retiring later than the normal retirement age, these illustrative medians based on age 65 are somewhat higher than would be payable at the normal retirement ages of the systems.

Benefit Experience of the Systems

Information on the average benefit awarded to men and women who retired in fiscal year 1965 was supplied by 44 of the 63 systems in the survey (tables B and C). These data indicated that the average monthly benefit (weighted by the number of retirees) was $235 and $238, respectively, for the approximately 5,000 men and 6,400 women who retired in that year. Information received from an additional four systems that did not report separate data for men and women revealed an average monthly benefit of $258 for 2,310 retirees. The average for all retirees was $240 monthly.

A system-by-system comparison of the benefits of men and women indicates that the average benefit was lower for women than for men in nearly all of the systems. The slightly higher average benefit for women noted above reflects the influence on the weighted average for women of a few large teachers' retirement systems that paid relatively high benefits.

EARLY RETIREMENT

Most of the State and local retirement systems surveyed permitted their members to retire with permanently reduced benefits at a younger age than that stipulated for normal retirement.

Of the 63 systems reporting in the survey, 53 had a provision for early retirement and they contained 94 percent of the total membership. As in the case of normal retirement, members were required to meet certain age, service, or age-service requirements to be eligible for early retirement, but many systems offered alternative requirements (table 8). The duplicated totals for the types of requirements are shown below:

Requirement	Systems	Employees (in thousands)
Total with early retirement	53	1,219
Age requirement only	25	141
Service requirement only	25	296
Age and service requirements	24	880

The most significant eligibility provision for early retirement, as was true of normal retirement, was an age and service combination, but many systems permitted retirement for age or service alone. A total of 24 systems, containing two-thirds of the membership of those systems permitting early retirement, had age-and-service requirements. Age 55 was by far the most frequently cited minimum age and 20 to 30 years of service were usually also needed. Several of the largest systems, however, permitted early retirement at age 55–60 with 5 years of service.

Early retirement based on age alone was available under 25 systems (including those in Massachusetts) containing 20 percent of the membership. The specified age was usually 55. Retirement on the basis of service alone (usually 20 to 35 years) was offered by 25 systems, with 23 percent of the employees. All but five of these also provided alternative requirements.

Of the 48 systems that specified an age requirement under an age or age-service provision, 19 systems with 92 percent of the employees specified age 55. This early retirement age is, of course, 5 years earlier than the typical normal retirement age of 60.

Benefit Reduction for Early Retirement

The reduction in the amount of periodic benefits for early retirement is designed to compensate, at least in part, for the longer average period over which these benefits will be paid. Survey respondents were asked to indicate the extent to which benefits were reduced for early retirement, but only limited data were obtained, due to the complexity of the formulas. Some systems, for example, did not compute the benefit by directly reducing the normal retirement benefit, but instead used a different method, such as applying a lower percentage factor to the final average salary. For purposes of this analysis, the various formulas were, where possible, converted into a percentage reduction for each year under the normal retirement age.

Of the 53 systems with early retirement provisions, seven reported that they reduce the benefit amount actuarially. For systems in which the normal retirement age was 60–62, the typical reduction was 5–6 percent for each year of benefits before the normal retirement age would be reached. Some systems applied two or more reduction factors at various ages, or used a formula that achieved this result. A typical provision of this kind applied reduction factors ranging from 4 to 8 percent to each year under the normal retirement age.

Based on the mortality of the general population, an actuarial reduction of benefits normally payable at age 65 requires a reduction of 6½–7 percent of the full benefit for each year of retirement before the

normal age is reached.[3] If 60 is the normal retirement age, the reduction is somewhat smaller, probably about 6 or 6½ percent.

Although the mortality of State and local retirees generally, or of retirees under particular systems, may vary from the average, the available data indicate that most systems reduced their benefits to an extent approximating an actuarial reduction. None of the systems appeared to reduce benefits to a greater extent than was required actuarially, but several systems reported a reduction of 2–4 percent, which was substantially less.

BENEFIT INCREASES AFTER RETIREMENT

The effect of rising price levels on the purchasing power of pension benefits has become a subject of increasing interest in recent years. In this survey, information was obtained on three types of provisions sometimes used by State and local retirement systems to meet this problem: (1) automatic adjustment of benefits, (2) across-the-board increases in benefit amounts, and (3) the use of variable annuities.

Provision for automatic increases.—One approach to the problem of keeping benefits in line with rising living costs is to incorporate into the retirement system law a provision under which benefits are automatically increased without requiring additional legislation. The Federal Civil Service Retirement System, for example, grants automatic increases in benefit amounts, based on changes in the Consumer Price Index. Of the 63 State and local systems in the survey, 10 systems with 12 percent of the membership had included an automatic provision in their laws (table 9). Of these, nine systems increased benefits by a stated percentage each year, from 1 to 1½ percent. The one remaining system is a State-administered program that automatically adjusts benefits to keep them proportionate with increasing wages granted active employees, in the case of retired State workers, and provides similar increases for former employees of local participating governments, at the employer's option.

Across-the-board increases in benefits.—The systems that did not provide for automatic adjustments were requested to indicate whether benefits had been increased by *ad hoc* legislation during the preceding 3 years. Of the 53 systems without automatic provisions, 28 with slightly less than one-half the total membership reported such a benefit adjustment during this period. The 3-year period involved, from 1963 to 1965, was a time of relatively small price increases compared with similar periods since World War II.

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[3] Robert J. Myers, "Actuarial Reduction Factors for Early Retirement Benefits," *International Review on Actuarial and Statistical Problems of Social Security*, 1963, No. 9, p. 33.

Variable annuities.—None of the systems reported the use of a variable annuity plan in its retirement program. Under these plans, retirement credits and benefits are based on a securities fund, usually invested in large part in common stocks, and fluctuate according to the current value of the fund.

HEALTH INSURANCE AFTER RETIREMENT

Another problem faced by older people is that of financing the cost of health care during retirement, a period when family income is relatively low compared with that of the working years, but when the average cost of health care is considerably higher.

Participation after retirement in a group health plan established by the employer enables the retiree to obtain health insurance protection at a lower cost than on an individual basis, especially if part of the cost is borne by the employer. The retirement systems were asked to report if retired members were eligible to participate in a group health plan, and if so, whether the employer contributed to the cost. The results were as follows:

Group health plan	Systems	Employees (in thousands)
Total systems	63	1,303
Health plan	51	881
No employer contributions	20	545
Partly or completely employer financed	29	223
Financing not stated	2	113

As indicated, about four out of every five systems, containing, all told, some two-thirds of the membership, provided a group health plan for retired workers. There was an employer contribution in most of these but only one-fourth of the employees under plans were in employer-financed plans.

VESTING OF BENEFIT RIGHTS

Unless a retirement plan provides for the vesting of credits, a worker who leaves employment before reaching retirement age loses all rights to a pension at that time. Vesting refers to the right of members who are separated from employment before becoming eligible for retirement benefits to "all or part of their accrued pension benefits at retirement age, regardless of their employment status at that time." [4] Where

[4] President's Committee on Corporate Pension Funds, *Public Policy and Private Pension Programs*, January 1965, p. 33.

vesting arrangements exist under contributory plans, the employee must elect to leave his contributions in the retirement fund. In the absence of a vesting provision, the separated employee usually receives a refund of his accumulated contributions, sometimes with interest.

Under some vesting provisions, the member acquires full rights to his accrued pension benefits as a condition of employment without being required to meet any age or service requirements. This is called immediate vesting. If the member acquires full right to his accrued benefits immediately upon meeting the requirements, the vesting is deferred full vesting. Under deferred graded vesting the member acquires a right to only a specified proportion of his accrued pension credits by fulfilling certain requirements (e.g., service requirements) and to an increasing percentage as he meets additional requirements, until his right to full benefits is fully vested.

The vesting provision is a relatively new development in the history of retirement systems. The 1944 report of the Social Security Board showed that very few systems had such provisions. In this survey, 39 systems had some type of vesting provision and these systems contained 92 percent of the total membership (table 10). None of the systems offered immediate full vesting. All but three systems provided deferred full vesting, and required that the member complete a period of service, in most cases 10, 15, or 20 years, before becoming eligible for a vested benefit. Several of the largest systems, however, had a 5-year service requirement for vesting qualification and about half of the membership in systems with vesting provisions was subject to this requirement.

Of the systems with service requirements for vesting, five required less service (often one-half that generally required) at a specified age, thus permitting older employees to qualify more easily. Finally, two systems provided deferred graded vesting based on length of service.

Retirement for Disability

Disability retirement was among the first types of protection provided by State and local government retirement systems. The 1944 report of the Social Security Board indicated, however, that many systems did not provide for non-service-connected disability, and benefits were often limited to members with long periods of service. Sometimes the provisions were designed mainly to facilitate the premature retirement of older employees. By the time of the present survey, however, all but one of the systems provided monthly benefits for non-

service-connected disability and the systems generally had more moderate eligibility requirements and afforded protection for their younger members.

ELIGIBILITY

Of the 62 systems providing disability benefits, 54 with 95 percent of the total membership had some requirement for eligibility, and this was in all cases a service requirement—typically 5, 10, or 15 years. (A 5-year requirement is similar to the work requirement for disability benefits under the OASDHI program and the Federal retirement systems.) For 25 systems containing some 60 percent of the membership, the requirement was 5 or fewer years of service.

Definition of Disability

The definition of disability included in the retirement system law and the interpretation of this provision by the retirement system board importantly affect a disability program. The definitions of disability are of two main types. Under one, the applicant must be unable to perform his usual job, and under the other he must be unable to perform any type of work. Sometimes the law does not contain a specific definition of disability but authorizes the retirement system board to exercise its discretion in making such a determination. Most private pension plans and the OASDHI program require that the applicant be unable to perform any kind of work. The occupational definition, however, is used in most State and local and in Federal retirement systems.

Fifty-four systems containing 88 percent of the total membership used the occupational definition (table 12). Seven of the other eight considered disability to be the inability to perform any kind of job, and the remaining system vested authority for determining disability in the retirement system board.

Determining which applicants are disabled, within the context of the definition included in the law, is usually done by the various retirement system boards. This process of interpreting the definition can, of course, have an important bearing on the actual nature of the disability plan. This is, of course, a difficult matter to measure and no information on this subject was collected in the survey.

BENEFIT AMOUNT

The calculation of disability benefits, like that of retirement benefits, was based primarily on final average salary, but there was somewhat greater diversity in the methods used to calculate benefits. The fol-

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lowing types of formulas for computing disability benefits were reported among the 62 systems with disability provisions:

Formula	Systems	Employees (in thousands)
Total with disability provisions	62	1,302
Percentage of salary for each year of service	44	949
Specified percent of salary or full pension	8	227
Money purchase arrangement	9	125
Information not furnished	1	1

The most common method of determining the benefit amount was to compute a percentage of salary for each year of service, a method used by 44 systems having three-fourths of the membership. The percentage factor used in calculating the disability benefit was often lower than that used in determining age-and-service benefits. For example, a group of related systems that used 2.5 percent for the age and service computation used 1.5 percent in computing the disability benefit. Also, five systems derived the disability factor by directly reducing the age-and-service factor and providing, for example, a factor of "90 percent of 1.67" for disability.

Among the systems using a percentage factor formula, seven reported minimum benefits, which provided either 25–40 percent of salary, $40 monthly, or $7.80 for each year of service. Five systems reported a maximum benefit of 50–60 percent of salary.

The four systems that based the benefit on a specified percentage of salary provided a 35–50 percent wage replacement. Four systems used the age-and-service retirement pension formula in calculating the disability benefit. The benefit was computed as if the employee were at (or near) retirement age and then reduced by one-quarter to one-half. The systems using a money purchase arrangement were mostly those, mentioned below, that paid temporary disability benefits. A few systems provided alternative formulas, sometimes for members with long service, as indicated in the footnotes to table 13.

In addition to regular disability retirement benefits, several retirement systems in Illinois offered a temporary disability benefits plan providing, in most cases, a benefit of 50 percent of salary for a period equal to one-fourth of the employee's length of service, up to a maximum of 5 years. These temporary benefit provisions do not technically meet the definition of disability retirement, but because they represent an unusual provision for a retirement system and provide significant

additional protection, they are shown separately in the table on benefit formulas (table 13).

One small system provided additional benefits for the dependents of a member receiving benefits for non-service-connected disability.

Relationship to Service

In measuring the adequacy of benefits paid to employees without long service, another consideration is the extent to which length of service affects the benefit amount. Eligibility for a very small benefit obviously will provide little protection. Further analysis of this matter was done by selecting those systems that used a modified formula or other method of computation under which the benefit amount is figured without regard to length of service and those systems that provide a minimum benefit to all eligible members.[5] Systems using one of these methods totaled 15, but they included several large systems and represented two-thirds of the employees.

Illustrative Benefits

Illustrative benefits for a male member aged 50 with 20 years of service retiring due to non-service-connected disability (table 14) have been computed on the same basis as the illustrative benefits for a member retiring for age and service. The data below show the median benefits and interquartile range based on the distribution of employees by amount of monthly benefits. Under the conditions set forth for this illustration, the member was eligible for benefits in all 62 systems that had disability provisions. Seven systems that base benefits on a money purchase arrangement and two others that did not supply the benefit data are excluded from the tabulation.

Subject	Benefit amount at salary intervals		
	$400	$500	$600
Median	$155	$193	$232
Percentage of salary replaced:			
Median	39	39	39
Interquartile range	31–53	32–51	31–52

The median benefit at all three salary levels replaced 39 percent of final average salary, equivalent to 1.95 percent for each of the 20 years

[5] These included (1) systems using a percentage factor for each year of service, but basing this calculation on assumed service to, or near, retirement age; (2) systems using an age-and-service retirement calculation based on assumed service; (3) systems providing a specified percentage of salary; and (4) systems with a minimum percentage of salary that is not based on length of service.

of service. This benefit is slightly lower than that for members retiring on the basis of age and service after 20 years. The greater diversity among the disability provisions probably accounts for the relatively greater spread in the interquartile range for disability benefits than for age-and-service pensions.

Disability Retirement Experience

Data on the average monthly benefit awarded for disability retirement in fiscal year 1965 were supplied by 37 of the 62 systems providing these benefits (table E). The mean benefit (weighted by number of employees) was $186 monthly for the 416 male disability retirees and $184 monthly for the 371 females.

Of the male disability retirees on the rolls at the end of the fiscal year, 67 percent were under age 62 (in 38 reporting systems) and 74 percent of the women were under that age in 36 systems (tables F and G).

Survivors Benefits

Monthly payments for survivors of active members who died from non-service-connected causes, now provided by nearly all systems in the survey, have been introduced comparatively recently into State and local government retirement systems. Many systems had long offered some type of death benefits; however, as indicated by the 1944 report of the Social Security Board, the protection often was limited to service-connected death, was dependent on accepting a reduced annuity, or was confined to survivors of retired members. The benefit was often a lump-sum payment.

WIDOWS WITH CHILDREN

In the current survey, monthly survivors benefits for widows and children of members who died from non-service-connected causes were available in 60 of the 63 systems and covered nearly all the members. The present provisions of most systems apparently were modeled after those of the OASDHI program, and the major provisions—eligibility for benefits and the benefit amount—usually closely resembled those of the Federal program.

Eligibility for Benefits

Eligibility for survivors benefits for widows with children was easily acquired in the great majority of systems and usually was available in the early working years when the members are most likely to have young children and the greatest need for protection (table 15). Most systems required that the employee complete a period of service for eligibility. Including a few systems without any requirements, 44 systems with 84 percent of the membership required 2 years of service or

less. The remaining 15 systems mostly required service of 3–5 years. Eligibility for survivors benefits under the OASDHI program involves a minimum of 1½ years of recent work in covered employment or other alternative requirements.

Benefit Amount

In most systems, the benefit for widows and surviving children was a flat-rate amount or was computed as a percentage of salary up to a dollar maximum (table 16). Judging from information recorded on the questionnaires, examination of retirement system laws and other sources, it appears that, in addition to the benefit formula shown on the questionnaire, some systems had alternative formulas based in some way on the deceased member's accumulated contributions or credits. Formulas of this type, if available, generally would be applicable in the case of members who died after long service. The primary benefit formulas used by the 60 systems that provided survivors benefits are shown below.

Formula	Systems	Employees (in thousands)
Total	60	1,297
Flat-rate benefits	37	959
Specified percentage of salary	7	250
Amount based on contributions or credits	16	87

Flat-rate benefits.—Flat-rate benefit amounts were reported by 37 systems that together contained about three-quarters of the membership.[6] This type of benefit usually provided a stated amount for the widow, for the first child, the second child, and sometimes the third. It also included a maximum payable to the surviving family, and that maximum was often reached if the widow had two children. The amount of the monthly benefit was usually $150–$200 for a widow with one child, from $50 to $75 additional for the second child, and a family maximum benefit of from $235 to $255. One group of related systems, however, paid maximum benefits of $185 and several other systems set the maximum as high as $295 or $300.

Percentage of salary.—The systems that computed the benefit as a percentage of the deceased member's salary provided benefits equal to from 60 to 75 percent of salary for a widow with one child, 15 or 20 percent additional for the second child, but with a maximum family

[6] It is probable that, for some of these systems, the law provided a percentage-of-salary formula with a dollar maximum benefit, but that respondents indicated a flat-rate amount because the maximum was almost always payable.

benefit of $150, $250, $275, or $330 monthly. These maximums are roughly in the same general range as for those systems paying flat-rate benefits.

Under the OASDHI program, benefits are based on the average monthly wages of the worker and, before enactment of the 1965 amendments, the maximum benefit payable to a widow with one child was $191 monthly. Widows with two children received up to $254.

Benefits based on contributions or credits.—Except for five related systems, which used a money-purchase formula, most of the 16 systems that based the benefit on accumulated contributions or credits computed the benefit under a formula similar to that for an age-and-service retirement benefit. These computation methods generally yielded relatively low basic benefits for the survivors of employees with short-term service, but many of the systems provided additional flat-rate benefits for children.

Termination of Benefits

The survivors benefit laws frequently provided for termination of a widow's benefits in the event of her remarriage. Information on termination of benefits, available for 57 systems, indicated that 53 systems with 94 percent of the members terminated the benefits of widows who remarried, but in all but two small systems children's benefits were continued. Benefits for a child were always terminated when he reached age 18, except under two small systems, which specified ages 17 and 21.

WIDOWS WITHOUT CHILDREN

Most of the retirement systems in the survey provided benefits to the widow of a member who died from a non-service-connected cause even if she did not have minor children. Of the 63 systems surveyed, 58, with 99 percent of the members, provided some kind of benefit for these widows. A few systems that provide benefits only to the survivors of a member who was eligible for retirement when he died are not included in this total. The provisions for widows without children were usually coordinated with the benefit provisions for widows with children, and often continued the benefit of those whose youngest child's benefit was terminated. In many systems, however, the eligibility requirements tended to be more restrictive, the benefits often being limited to older widows or widows of long-term employees.

Eligibility Requirements

Generally, eligibility for benefits was dependent upon the deceased member's having at least fulfilled the same service requirements as were applicable in the case of the widow with children, but additional service requirements were imposed by many systems, especially those that had no age requirement for the widow (table 17). Of the 58 systems providing benefits for widows without children, 42 had no age require-

ment, but these systems (which included the Massachusetts systems) represented only about one-third of the membership. Also, three of the larger systems in this group required a term of service of at least 15 years on the part of the deceased member.

Sixteen systems containing two-thirds of the membership had an age requirement for widows, which ranged from 50 to 62. Benefits were available at age 50 under six systems, most of which required that the deceased member have 15 years of service, but paid benefits at age 62 if this requirement was not met. Four systems had an age 55 requirement, two paid at age 60, and three at age 62.

Amount of Benefits

The methods of computing non-service-connected benefits payable to widows without children, as shown in table 18, were similar to those applicable to widows with children. As indicated previously, many systems alternatively based the benefit on the accumulated contributions or credits of the member if this would yield a higher benefit. The primary methods of computing the benefit amount under the 58 systems paying benefits are listed below.

Formula	Systems	Employees (in thousands)
Total	58	1,291
Flat-rate benefit	35	975
Percentage of salary	7	219
Based on contributions or credits	16	98

Flat benefit.—Except for those in Massachusetts, most of the 35 systems providing a flat-rate benefit imposed an age requirement that restricted the benefit to older women. The amount of these flat-rate benefits ranged from $65 to $130 monthly, but was concentrated between $90 and $125.

Percentage of salary.—A benefit derived as a percentage of salary was provided by seven systems, all of which had an age requirement for the widow or a service requirement of 15 years for the deceased member. Of these systems, five provided 25–30 percent of salary, with a dollar maximum of $200 monthly. Two systems paid 50 percent of salary, but limited the maximum to $100 monthly.

Based on pension, contributions, or service.—Generally, the systems that based their benefits in some way on the accrued contributions or credits of the deceased member did not require that the widow meet any age requirements.

Illustrative Benefits for Widow and Children

The data below show the illustrative benefits, derived from table 19, payable on the account of a member who died at age 40 from a non-service-connected cause after 10 years of service. Benefits are shown for a widow aged 35 alone, with one child (age 10), and with two children (ages 8 and 10). Due to the more severe eligibility requirements placed on widows without children (age for the widow or service for the deceased member) pension payments were available to this type of beneficiary in only 35 systems, containing about one-fifth of the membership. For widows with children, however, nearly all the systems and members are represented in these data.

Survivor	Benefit amount at salary intervals			Percentage of salary replaced at specified intervals					
	$400	$500	$600	$400	$500	$600	$400	$500	$600
	Median			Median			Interquartile range		
Widow	$107	$107	$108	27	21	18	17–29	15–23	13–1
Widow and 1 child	191	191	191	48	38	31	45–51	36–41	30–34
Widow and 2 children	239	239	239	60	48	40	54–64	44–51	36–42

Benefits paid at the $400, $500, and $600 salary levels are practically identical, but vary by the number of children, reflecting the predominance of flat-rate benefit formulas and percentage-of-salary formulas with relatively low dollar maximums. The extent of salary replacement, of course, diminished at the higher salary ranges. Thus, the benefits for a widow alone, a widow with one child, and a widow with two children were $107, $191, and $239, respectively—replacing 27, 48, and 60 percent of salary at the $400 monthly salary level, but 18, 31, and 40 percent at the $600 salary level.

Illustrative Benefits for a Widow Aged 55

The data below show the benefits payable to a 55-year-old widow of a member with 20 years service who died at age 60 (table 20). Unlike the preceding illustration, the age requirement for the widow and the length-of-service requirement for the member were usually met under these conditions. Fifty-six systems with 95 percent of the survey membership provided benefits under such circumstances, including a few systems that restricted benefits to widows of members who had earned eligibility for age-and-service retirement. Where alternative methods of computation were available, the benefit amounts were presumably computed under the provisions that would yield the highest benefit. The benefit amounts therefore reflect the diversity of provisions applicable in this illustration. The median benefits replaced 24, 23, and 22 percent of salary, as indicated in the following tabulation:

Subject	Benefit amount at salary intervals		
	$400	$500	$600
Median	$98	$115	$134
Percentage of salary replaced:			
Median	24	23	22
Interquartile range	20–32	20–30	20–30

Lump-Sum Payments

The questionnaire asked, "Does your system make a lump-sum payment (in lieu of, or in addition to, the return of a deceased member's contribution) to the survivors of a member whose cause of death was non-service-connected?" Although information was not obtained concerning whether lump-sum payments were made if monthly survivors benefits were payable, several respondents volunteered the information that it would not be payable in this case.

Provisions for lump-sum payments were reported by 13 systems covering about 24 percent of the total membership. Five systems, with about one-third of the membership in systems with these provisions, provided a flat amount. This included three systems that paid $500 or $1,000, and two others that paid $1,000 plus $60 or $100 for each year of service. However, the most common method, used by six systems, was to base the benefit amount on a combination of salary level and years of service, usually by multiplying 1 month's salary (sometimes 2) by the number of years of service. All of these formulas included a maximum amount payable, typically equal to 6 months' salary. In addition, two systems based the payment solely on the deceased's salary, and they both provided a payment equal to 6 months' salary.

WIDOWS OF RETIRED MEMBERS

Relatively few systems provided specific benefits for widows of retired members (table 21). However, most systems permitted a member at retirement to elect a reduced benefit in order to provide a benefit for his wife in the event he predeceased her after retiring. Under this arrangement, commonly referred to as the joint-and-survivor option, the reduction is usually computed actuarially, according to the age or life expectancy of the member and his wife.

Specified Benefits

Specific benefits for widows were provided under 21 systems with about one-fifth of the membership of the 63 systems in the survey. Most of these plans required that the widow be married to the member for at least 1 year before his death. A few systems indicated that members had to make additional contributions to provide these benefits.

Typically, the systems providing specified benefits based the benefit amount on the size of the member's retirement pension. Eleven of the twenty-one systems used this method, six of them paying 50 percent of the retirement benefit and the remainder, 60, 75, or 100 percent.

A benefit based on the member's accrued contributions, in some cases on contributions specifically earmarked for this purpose, was provided by seven systems, three of which guaranteed that it equal 50 percent of the member's pension if he had served for at least 20 years. Another method of computing the benefits for a surviving widow was to pay a percentage of the member's final average salary. This method was used by three large related systems, which generally paid 30 percent of salary up to a maximum of 80 percent of the member's retirement allowance.

Joint-and-Survivor Option

The systems that did not provide specific benefits for widows of retired members almost always made available the election of a joint-and-survivor arrangement. Of the 42 systems without specified benefits, only three failed to provide this option. The reduced benefit option was also permitted by 15 of the 21 systems that did provide specified benefits. Including these, a joint-and-survivor option was available in 54 of the 63 systems in the survey, with 98 percent of the membership.

Extent of Election Under Joint-and-Survivor Option

The questionnaire asked respondents to indicate the proportion of men retiring in fiscal year 1965 who had elected a reduced benefit under a joint-and-survivor option. This information, however, often was not furnished; 39 systems with about one-half of the membership of the 54 systems providing such an option reported on this matter. The data below show the distribution of these systems by the proportion of retirees electing the option.

Percentage electing joint-and-survivor option	Systems	Employees (in thousands)
Total	39	583.8
Less than 1	11	112.2
1 to 19	14	281.7
20 to 39	7	113.8
40 to 59	3	34.9
60 to 79	2	10.8
80 to 100	2	30.5

While these data are incomplete, they apparently indicate that relatively few of the men who retired elected to take advantage of the

joint-and-survivor option. As expected, the systems that made specified benefits available in addition to the joint-and-survivor option generally had the lowest rates of election, almost always less than 2 percent. It therefore seemed appropriate to retabulate the data so as to exclude those systems providing both types of benefits. The results are shown below:

Percentage electing joint-and-survivor option	Systems	Employees (in thousands)
Total	25	328.4
Less than 1	4	8.4
1 to 19	8	135.7
20 to 39	7	113.8
40 to 59	3	34.9
60 to 79	1	5.1
80 to 100	2	30.5

The removal from the tabulation of systems providing both types of benefits affects the distribution somewhat in the direction of a higher election rate. The proportion electing the reduced benefit still seems relatively low, considering that the great majority of men are married at the time of retirement.[7] Of the 25 systems providing only a joint-and-survivor option, 19 had fewer than 40 percent of its retiring men selecting it.

These findings seem consistent with those of other studies.[8] The 1965 survey of State and local retirement systems under the old-age survivors, disability, and health insurance (OASDHI) program also indicated that a relatively low proportion of those surveyed elected a reduced benefit, but the availability of a widow's benefit under OASDHI would, of course, affect the comparability of the situations.

Benefit Experience

Total women survivor beneficiaries of all types on the rolls at the end of fiscal year 1965 numbered 14,300 and their average monthly benefit was $108, in the 43 systems that reported these data. Thirty-five percent of the surviving women were under age 62 in 36 systems reporting on age. Surviving children under age 18 totaled 2,500 in 35 reporting systems and received an average benefit of $54 monthly, based on data for 32 systems (tables H and I).

[7] For the general population, 80 percent of the men aged 55–64 are shown as "married, wife present." Bureau of the Census, Current Population Reports, *Population Characteristics*, January 1967.

[8] See, for example, James A. Hamilton and Dorrance C. Bronson, *Pensions*, McGraw-Hill Book Co., and State of Ohio, Governor's Commission on Aging, *Industrial Pensions and Insurance Plans*, 1961.

Financing

EMPLOYEE CONTRIBUTIONS

State and local retirement systems are almost always financed by contributions from both employees and the employing government, and joint contributions were reported by all of the systems in the survey. The amount the employee contributed was usually determined by applying a contribution rate to the total salary of the employee. This was true of all but five systems that specified a maximum salary base subject to contributions (table 22). These salary bases ranged from $7,500 to $12,600 annually.

Contribution rate.—The contribution rate was commonly expressed as a single percentage of salary, but a few of the 63 systems used two percentage rates or varying percentage rates, as indicated below:

Contribution rate	Systems	Employees (in thousands)
Total	63	1,303
Single percentage rate	52	1,035
Two percentage rates	2	3
Varying percentage rates	7	248
Information not furnished	2	17

The 52 systems with a single rate, representing 79 percent of the total membership, imposed rates ranging from 4.5 to 8 percent, heavily concentrated between 5 and 7 percent. A 7-percent rate was used by several large systems and about one-half of the employees in the systems with a single rate were subject to that rate.

A varying rate, which changes according to some factor such as the employee's age at the time of entry into the system or the kind of work he performed, was used by seven systems.

The rates indicated above applied to men. Six systems indicated using a different rate for women, generally ½–1½ percentage points lower than that for men.[9]

EMPLOYER CONTRIBUTIONS

The response to the questions concerning employer contributions was incomplete in many cases, and in other systems the contribution provisions were complex or indeterminate and difficult to classify. Thirty-three out of the 63 systems in the survey were able to "indicate the employer's contribution as a percent of total payroll." Those responding included systems in which the employer's contribution rate

[9] If the contribution rate were determined on an actuarial basis, it would naturally be higher for women because of their longer average lifespan.

was specified in the retirement system law and others in which the amount of the contribution was apparently determined, at least in part, on some other basis and then was converted into a percent of payroll. The 33 systems reported rates ranging from about 4 to 19 percent, but most commonly between 6 and 9 percent. This latter range encompasses some 20 systems. The systems that did not provide data on employer contributions commonly gave such responses as: amount determined by actuary, amount needed to fund pensions at retirement, pay as you go, annual appropriation for pension cost, or amount appropriated by the legislature.

The available information on contributions for each system was analyzed to determine whether the employer's contributions were greater than, equal to, or smaller than those of the employees. These data strongly suggest that the employer's contributions most frequently exceeded or, at least, matched those of the employee.

Some information permitting a comparison of contributions was available for 40 systems. The employer's share was apparently greater in 28 systems (with over one-half of the membership), matched the employee contributions in seven systems (with about two-fifths of the membership), and was smaller in perhaps four or five systems, mostly small ones.

In many systems, of course, the employing government was continuing to fund the past service cost of the system—the cost of benefits for creditable service performed before the retirement system was established and for improvements in benefits after its establishment—and thus its contributions were not wholly applicable to the current cost of financing the system.

ACTUARIAL STATUS AND FUNDING

Many retirement systems arrange their funding so that the employee and employer contributions, together with interest and other fund earnings, will be sufficient to provide the benefits that accrue to the members. In determining the contribution rates, the actuary must estimate (1) the annual cost of benefits accruing to current members, which is called the normal cost, and (2) the past service cost, mentioned above. The past service cost is often substantial and ordinarily is not met from a lump-sum payment, but rather from annual employer contributions over a long period of time, often 25 years or more. A retirement system fund in which both the normal and past service costs have been met is said to be fully funded.

The questionnaire asked, "Is the employer contribution rate actuarially determined so as to finance your system (together with employee contributions and interest earnings) without any additional funds?"

Of the 63 systems, 30, with slightly more than one-half the total membership, indicated that their contribution rate was actuarially determined in this way. Fully funded status was reported by three of these systems, with about 15 percent of the membership of the actuarially determined systems, while the others indicated that past service was being funded and future service was funded as it accrued.

From the remarks indicated on the questionnaire, some additional information was obtained on the financing of the systems. Four systems reported that liability for past service was unfunded, but that the liability for current service was funded as it accrued. Several systems noted that the future benefits of members were funded at the time of their retirement.

Chapter 4

SYSTEMS FOR POLICEMEN AND FIREMEN

RETIREMENT PROGRAMS for policemen and firemen were among the first State and local systems established in the United States. Special considerations generally are involved in providing protection for these uniformed servicemen, including a recognition of the special hazards of disability and death connected with such service and the policy of many police and fire departments of maintaining a force composed mainly of young and vigorous personnel. For these reasons, such systems generally provide for normal retirement of their members at a relatively young age and also make available involuntary retirement, as well as immediate eligibility and liberal benefits for service-connected disability or death. Because of the importance of these service-connected benefits, information was obtained in the survey on service-connected disability and survivors benefits in the uniformed service systems.

Police and fire systems were excluded from the provisions of the 1954 amendments to the Social Security Act which made OASDHI coverage available to members of other State and local retirement systems. Additional Federal legislation enacted in 1956 and later years permitted coverage in specified States named in the Federal law (generally those States where representatives of the groups concerned testified that they wished coverage to be made available). As of this writing, a total of 19 States had the authority to obtain OASDHI coverage for policemen and firemen under staff retirement systems and most of these had implemented coverage for at least some of the systems in the State.

General Characteristics

Policemen and firemen sometimes are included in retirement systems covering general government departments, but generally they are covered under special systems, often containing members from both occupational groups. The police and fire systems are predominantly locally administered; most of the State systems include only State police and members of the highway patrols. The 1962 Census

of Governments found a total of 1,651 systems for policemen and firemen exclusively (70 percent of all systems) with a total of 225,300 active members.

The 24 systems that responded to the survey reported a total membership in January 1966 of 69,400 (table J). Among the major factors affecting the distribution of respondents is the exclusion of those systems whose members were under OASDHI. This resulted, for example, in the exclusion of such large groups as the New York City police and fire departments.

The exclusion of systems having fewer than 1,000 members means that only relatively large cities, with a substantial number of police and firemen, are represented. The survey is dominated by such cities as Chicago, Los Angeles, Detroit, Cleveland, New Orleans, St. Louis, and Dallas. There were four State-administered systems that, with one exception described below, were small systems covering State police. A total of 12 States were represented in the survey, with no State having more than four systems, as can be seen in the following tabulation.

State	Systems	Employees (in thousands)
Total	24	69.4
New Jersey	1	15.0
Illinois	2	14.4
California	2	9.8
Michigan	2	7.6
Texas	4	6.4
Ohio	3	4.3
Missouri	2	3.1
Pennsylvania	2	2.7
Louisiana	2	2.0
Washington	2	1.9
Oregon	1	1.4
Indiana	1	.9

Two large systems contained between them 36 percent of the membership. They were the New Jersey police and fire system, a statewide program that includes employees of local governments, with 15,000 members; and the Chicago police system, with 10,000 members. On the other hand, 17 systems, each with less than 2,000 members, contained 30 percent of the membership. The latter group includes five systems that unexpectedly reported fewer than 1,000 members (but

more than 850) and were included in the survey. Police and fire systems are distributed by size in the following tabulation:

Size of membership	Systems		Employees	
	Number	Percentage distribution	Number (in thousands)	Percentage distribution
Total	24	100.0	69.4	100.0
800 to 999	5	20.8	4.6	6.6
1,000 to 1,999	12	50.0	16.1	23.2
2,000 to 2,999	2	8.3	4.6	6.6
3,000 to 4,999	1	4.2	4.4	6.4
5,000 to 9,999	2	8.3	14.8	21.2
10,000 and over	2	8.3	25.0	36.0

Retirement for Age and Service

REQUIREMENTS FOR PARTICIPATION

Many of the retirement systems for policemen and firemen have age and service requirements for membership and these often are coordinated with the employment requirements imposed by the police or fire departments themselves. Thirteen of the twenty-four systems in the survey, containing about one-half the total membership, had a minimum age requirement, most frequently age 21 but, in other cases, age 18, 19, or 20 (table 23). A requirement that the new employee serve for a specified period before being admitted to membership was used by two systems, which set it at 6 and 15 months.

A maximum age requirement was included in the provisions of 11 systems, covering about one-third of the membership, and the age specified was typically 29–35. As expected, the maximum age was much lower than that for general systems.

ELIGIBILITY FOR NORMAL RETIREMENT

Traditionally, policemen and firemen have been able to retire with full benefits at a comparatively young age. As was true of those in the general systems, the retiree usually had to meet both age and service requirements, but police and fire systems more frequently permitted retirement on the basis of service alone and less frequently for age alone. Also, unlike the general systems which commonly offered alternative eligibility requirements, the police and fire systems generally provided none.

Thirteen systems with about 43 percent of the membership imposed both age and service requirements. Under these provisions, age 50–55 was usually specified together with service of 20 or 25 years. One

system, however, permitted retirement at age 45 (with 20 years of service), the earliest normal retirement age found in this survey (table 24).

Retirement on the basis of service alone was permitted under 10 systems, containing about one-third of the membership, which usually required terms of 20 years (five systems) or 25 years (three systems). One, however, permitted retirement after only 16 years of service and, in another, a service requirement was offered as an alternative to the age and service provision. Retirement on the basis of age alone was provided under two systems, including a large one that specified age 55.

As suggested above, the typical normal retirement age for policemen and firemen at the time of the survey was age 50–55. The tabulation below shows the distribution of the retirement age for the 15 systems that had an age or age-and-service requirement.

Age	Systems	Employees (in thousands)
45	1	0.1
50	5	7.7
52	3	4.3
53	1	4.4
55	3	26.3
60	2	3.1

Retirement-Age Experience

Of the 24 systems, 21 reported on the number of men who retired in fiscal year 1965, a total of 1,040 retirees. The data on age of retirees, reported by 18 systems, indicated that 42 percent of these men retired before reaching age 55. There was, however, considerable variation in the retirement age among the systems (table K).

The 14 systems that reported on the age of men on the rolls at the end of the fiscal year indicated that 40 percent were under age 62 (table L).

INVOLUNTARY RETIREMENT PROVISIONS

Most police and fire systems required that members be involuntarily retired upon reaching a specific age. These provisions were about as prevalent among the police and fire systems as they were among the general systems, but the uniformed systems almost always required automatic retirement while the general systems usually had a compulsory provision, under which employment could be continued at the discretion of the employer.

Some kind of involuntary retirement provision was reported by 19 of the 24 police and fire systems, which contained about 80 percent of the membership, and all but one of these required automatic retirement. The automatic retirement age was often 65, an age used by eight systems, but most of the remainder stipulated a younger age—four between ages 60–64 and three between ages 55–56. Of the systems with automatic retirement provisions, two also had a compulsory provision.

BENEFIT AMOUNT

Benefit amounts were computed on the basis of the member's final average salary in all of the systems surveyed. The benefit formulas generally were designed to provide a pension payment equal to from 40 to 50 percent of salary upon completion of the 20- or 25-year service period usually required for normal retirement. Compared with the general systems, the police and fire systems provided greater benefits to the retiring member with the same salary and length of service.

Final Average Salary

In several of the police and fire systems, final average salary was determined on the basis of the salary paid to those in a specified rank, rather than on the basis of an average of the actual salary paid over a period of years (table 26). This method was reported by six of the 24 systems, which used either the base salary of the rank or the salary of a first-class patrolman or fireman in making their computations. The other 18 systems, which covered 88 percent of the members, based the benefit on the salary paid during a stipulated period, typically 5 years, but only 1–3 years in six systems.

Under eight of the systems, any years of earnings could be selected in computing the average, while 10 others required that the last years of employment be used.

Formula for Computing Benefits

More often than was true for the general systems, the formulas for computing benefits for the police and fire systems were expressed as a specified percentage of final average salary payable at the time of first eligibility, rather than as a percentage of salary for each year of service. Most of the formulas were split formulas under which the benefits for each year of service after the completion of the eligibility period are less generous than those for years during that period, or were of a type that provided no benefits for years served after the completion of a specified period. Formulas of this type apparently are designed to discourage continued employment beyond the time

of first eligibility for retirement. The types of formulas reported were as follows:

Formula	Systems	Employees (in thousands)
Total	24	69.4
Single percentage factor	8	25.3
Two percentage factors	2	16.1
Specified percent of salary	14	28.1

Percentage factor.—A total of eight systems used a single percentage of salary for each year of service, most frequently 2 percent per year. Two percentage factors were used by two systems, which provided 2 or 2.5 percent for each of the first 20 or 25 years of service and 1 percent for each additional year (table 27).

Percentage of salary.—Of the 14 systems computing benefit amounts as a percentage of final average salary, three specified a flat 50 percent without any additional benefits. The others provided a percentage of final average salary (usually 50 percent) upon completion of 20–25 years of service, and a percentage factor of 1, 1.5, 1.67, or 2 percent (or sometimes from $1 to $5 per month) for each additional year of service.

Illustrative Retirement Benefits for Age and Service

The data below show the illustrative benefits payable to a male member retiring at age 55 after 20 or 30 years of service. Derived from table 28, they have been computed on the same basis as the illustrative benefits for the general systems. This illustration does not include the membership of six systems who were ineligible for retirement in the 20-year-service example, and 3 systems in the 30-year example. The increase in median benefits payable to members with 30 years of service is less than proportional, as would be expected under the split benefit formulas. The interquartile range is relatively narrow, reflecting the homogenous nature of the systems' benefit formulas.

Length of service	Benefit amount at salary intervals		Percentage of salary replaced at specified intervals			
	$400	$600	$400	$600	$400	$600
	Median		Median		Interquartile range	
20 years	$172	$252	43	42	41–45	41–43
30 years	230	336	57	56	54–61	56–60

Benefit Experience of the Systems

Benefit experience for age-and-service retirement in fiscal year 1965 was reported by 21 systems (table K). They indicated that 1,037 men were awarded an average monthly benefit of $334, a considerably higher amount than the average $235 for men reported by the general systems. The difference is due, in part, to the relatively high salary levels of police and firemen and possibly to a longer average length of service before retirement.

OTHER PROVISIONS

Early Retirement

Comparatively few police and fire systems included provisions for early retirement, that is, permitted retirement at an earlier age (or with fewer years of service) than that required for normal retirement, at a reduced benefit amount (table 29). This reflects the fact that normal retirement was available at relatively early ages.

Early retirement provisions were reported by six of the 24 systems, but these included several large systems and contained about one-half of all the employees in the survey. Of these six systems, three specified 50 as the early retirement age, and two of these also had a service requirement—10 and 25 years. The remaining three systems permitted early retirement solely on the basis of service, either 20 or 25 years.

The six systems that permitted early retirement used varied methods for reducing the benefit amount. Two of them used an actuarial reduction, and two large systems reduced the benefit by 6 percent a year for each year of retirement before age 55 was reached. One system computed the benefit on the basis of money purchase arrangement.

Benefit Increases After Retirement

Because policemen and firemen usually retire while still relatively young and receive benefits for relatively long periods, the value of their pensions is highly vulnerable to inflation. Provisions for increasing the benefits of retired members are therefore of special importance. As was done for the general systems, information was collected on three methods of accomplishing this objective: (1) automatic adjustment of benefits, (2) *ad hoc* legislation increasing benefits and, (3) the use of variable annuities.

Automatic adjustment.—Only a minority of the police and fire systems in the survey provided for automatic adjustment of benefits, but the provision nevertheless was more prevalent among the uniformed than the general systems, and the methods of adjustment used were comparatively more liberal. A total of seven of the 24 police and fire systems surveyed, containing about one-fourth of the membership,

provided for automatic adjustment of benefits. Of these, five based the adjustment on the wage increases granted active employees, and one made the adjustment on the basis of changes in the average hourly earnings of production workers in the locality (table 30). These wage-related methods of adjustment, of course, generally will result in substantially larger increases over the long run than would adjustments based on changes in price levels.

Increases under legislation.—Of the 17 systems without provisions for the automatic adjustment of benefits, three increased the benefits of persons on the rolls under *ad hoc* legislation. Because these three included one large system, the number of employees affected by the legislation accounted for about one-third of those in systems without automatic adjustment provisions. None of the systems made any provision for basing benefits on a variable annuity plan.

Health Plan After Retirement

All but one of the police and fire systems allowed retired members to participate in a group health plan, but employers seldom made contributions in behalf of the retirees. The prevalence of health plans was considerably greater among the uniformed than the general systems, but the extent of employer contributions was less great. The information on health plans reported by the police and fire systems is tabulated below:

Group health plan	Systems	Employees (in thousands)
Total	24	69.4
With health program	23	65.0
No employer contributions	16	56.6
Partly or completely employer financed	2	2.5
Financing arrangements not furnished	5	5.9

Vesting of Benefit Rights

Relatively few of the police and fire systems made any provision for the vesting of benefits for members who left the service before qualifying for retirement (table 31). Of the 24 systems reporting, six, containing about 36 percent of the membership, had vesting provisions. Service of 10 or 20 years was usually needed in order to qualify for vesting.

Return of Employee Contributions

Information was obtained for police and fire systems, but not for the general systems, on the extent to which employees' contributions

were returned when they resigned before meeting the eligibility requirements for retirement. The response to this question for the 24 systems in the survey is tabulated below:

Subject	Systems	Employees (in thousands)
Total	24	69.4
All contributions returned	16	51.7
Part of contributions returned	2	1.8
None of contributions returned	6	16.0

As indicated, most systems provided for the return of employee contributions, and some of these volunteered the information that interest was also paid. The two systems that returned part of the contributions both returned 75 percent.

Retirement for Disability

NON-SERVICE-CONNECTED DISABILITY

Most police and fire systems provided for the retirement of members disabled from causes not connected with their work. Twenty-two of the 24 systems responding to the survey made these benefits available, and they contained 97 percent of the total membership.

In general, the eligibility requirements for non-service-connected disability tended to be more liberal under the police and fire systems than under the general systems (table 32). One-half of the uniformed systems had no age or service requirement or only a nominal one of 6 or 12 months' service. The remaining 11 systems imposed a length-of-service requirement, six of them requiring 5 years. The remaining five systems, with about 11 percent of the members, required 10 or 15 years of service for qualification.

Definition of Disability

Like the general systems, most of the police and fire systems providing non-service-connected disability benefits defined disability as the inability to perform the usual job (table 33). This occupational definition was used by 15 of 22 systems, containing some 60 percent of the membership. Only two small systems required that the applicant for disability benefits be unable to perform any kind of work. Unlike the general systems, however, a considerable number of police and fire systems (five systems with about one-third of the membership) had

no specific definition in their laws but left the determination of disability to the discretion of the retirement system board.

Formulas for Calculating Disability Benefits

The police and fire system disability retirement formulas tended to provide more liberal benefits than those of general systems, especially so in the case of employees with relatively short-term service. Benefit amounts were more commonly based on a specified percentage of salary for each year of service, or on accrued credits or contributions (table 34). The methods of computing these benefits for the 22 systems providing non-service-connected disability retirement are indicated below:

Formula	Systems	Employees (in thousands)
Total	22	67.0
Percentage factor	8	31.6
Specified percent of salary	12	21.0
Money purchase arrangement	2	14.4

Percentage factor.—A formula involving a percentage of salary (usually 1.5 or 2.0 percent) for each year of service was used by eight systems. However, five of these eight systems included additional provisons that tended to increase the benefits for members with relatively short service, usually a minimum of 20–40 percent of salary.

Percentage of salary.—A benefit formula providing a specified percentage of salary (from 22½ to 50 percent) was used by 12 systems. The 50-percent formula was the more typical one, and some of those using the lower percentages provided additional benefits based on service.

Money purchase arrangement.—The two Illinois systems that used a money purchase formula for disability retirement also provided temporary disability benefits equal to 50 percent of salary for a maximum period of 5 years.

Illustrative Benefits for Non-Service-Connected Disability

The tabulation below indicates the amount of non-service-connected disability benefits payable to a 30-year-old member at various final-average-salary and length-of-service levels. These data are based on the distribution of employees shown in table 35. Five systems did not provide benefits for the 5-year-service illustration and three systems in

the 10-year example. In addition, two systems using a money-purchase formula are not included.

Length of service	Benefit amount at salary intervals		Percentage of salary replaced at specified intervals			
	$400	$600	$400	$600	$400	$600
	Median		Median		Interquartile range	
5 years	$165	$244	41	41	24–44	22–42
10 years	165	244	41	41	28–44	25–42

The median benefit amounts are identical for 5 and 10 years of service and the extent of salary replacement (41 percent) is the same regardless of length of service or salary interval. A system-by-system analysis revealed that this lack of variation was due primarily to the prevalence of formulas that provide a percentage of salary or to the effect of minimum benefit provisions.

SERVICE-CONNECTED DISABILITY

Reflecting the hazardous nature of the work performed by policemen and firemen, the retirement systems for these employees have traditionally provided substantial protection against disability incurred in the line of duty. All the 24 systems responding in the survey made provision for service-connected disability retirement and the elements of these provisions—eligibility and benefits—tended to be more liberal than for non-service-connected disability.

None of the retirement systems had any age or service requirements for service-connected disability qualification and, in all cases, the definitions of disability were at least as liberal as those used for the non-service-connected provision (table 36).

Formula for Calculating Benefits

Generally speaking, the benefits payable for service-connected disability were at least as large as those that would have been payable at the time of first eligibility for normal retirement; often they were larger (table 37). Twenty-one of the 24 systems paid a specified percentage of salary and the three others, an amount equal to the normal retirement benefit.

Sixteen systems paid a single specified percentage of salary, typically 50, 67, or 75 percent. Five systems, mostly relatively small ones, provided a basic benefit of 30–50 percent of salary and additional benefits based on length of service.

Additional benefits for children were reported by three systems, two of which paid flat-rate benefits and the third a percentage of the member's basic benefit.

Illustrative Benefits for Service-Connected Disability

The data below, which show the service-connected disability benefits payable to a 30-year-old member by length-of-service and salary interval, do not include the additional benefits for children provided by a few systems. These data are based on the distribution of employees in table 38.

Length of service	Benefit amount at salary interval		Percentage of salary replaced at specified intervals			
	$400	$600	$400	$600	$400	$600
	Median		Median		Interquartile range	
5 years	$267	$400	67	67	62–74	45–71
10 years	267	400	67	67	62–74	45–71

As was also true in the non-service-connected disability illustration, the benefit amounts are identical for 5 and 10 years' service, and the percentage of salary replaced is identical under all conditions, again reflecting the prevalence of benefit provisions that pay a specified percent of salary. The actual benefit amounts and the 67-percent salary-replacement ratio are considerably greater than the corresponding figures for non-service-connected disability and for age-and-service retirement, even with 30 years of service.

These benefit data are importantly affected by several large systems providing relatively high benefits. The median benefits for the distribution by system, in table 38, are substantially lower than those shown above.

Disability Benefit Experience

Disability retirement benefit experience, reported by 16 of the 24 systems, showed that 218 men were awarded benefits for disability of either type in fiscal year 1965 and that the average benefit amount was $348 monthly (table M). Separate data for non-service-connected and service-connected disability were not obtained. The average benefit amount was somewhat higher than for age-and-service retirement, but the incomplete reporting makes a comparison difficult.

Workmen's Compensation

Policemen and firemen, as well as other employees of State and local governments, are sometimes covered under the State's workmen's com-

pensation program. Retirement systems that provide disability benefits sometimes adjust them if workmen's compensation is also payable.

The members of 10 of the 24 police and fire systems in the survey were covered under State workmen's compensation laws and these systems contained about 37 percent of the total membership. Of the 10 systems, seven reduced their disability retirement benefits in whole or part by the amount of benefits paid under workmen's compensation. However, the three systems that did not provide for a reduction, which included one large system, contained about 64 percent of all the employees covered under workmen's compensation (table 39).

Survivors Benefits

NON-SERVICE-CONNECTED BENEFITS

All of the systems in the survey paid monthly survivors benefits to the widows and children of members who died from non-service-connected causes, including benefits for widows without children, regardless of age.

Sixteen of the 24 systems had no service requirement, or only a nominal one, for survivors benefit eligibility. However, the remaining eight systems, with 27 percent of the membership, had substantial requirements; the largest of these systems required 5 years of service and seven small systems, from 10 to 20 years (table 40).

Formula for Computing Benefits

The methods by which the police and fire systems computed monthly survivor benefits for widows are indicated in the tabulation below, based on data in table 41. Fifteen of the 24 systems paid an additional benefit for surviving children, which was usually computed by the same method as that used for widows.

Formula	Systems	Employees (in thousands)
Total	24	69.4
Flat-rate benefits	5	6.3
Specified percentage of salary	12	28.8
Based on accrued credits	7	34.4

Percentage of salary.—The 12 systems computing the basic benefit for the widow as a percentage of her husband's salary usually provided from 20 to 40 percent of this income plus an additional benefit for surviving children, most often an additional percentage of salary. Taken together, the benefits for a widow and two children increased

the family benefit to 45–50 percent of salary under most systems.[1] Three systems did not provide children's benefits but usually paid the widow 50 percent of salary.

Flat-rate benefits.—Five systems paid flat-rate monthly benefits, usually $60 or $90, to the widow without children, and $20–$35 additional for each child (although one paid $90). The total benefit payable to a widow with two children amounted to $100, $160, or $230.

Based on accrued credits.—The seven systems that based their benefits on the accumulated credits of the deceased member included several large systems and covered some 50 percent of the membership. The computation methods included the age-and-service pension calculation, computation based on contributions and age, or a money purchase formula. About one-half of the employees in these systems were in systems that also provided flat-rate benefits for each child of $30 or $40 monthly.

Termination of Survivors Benefits

Under all the systems for which information is available, the benefits to a widow were terminated if she remarried, but the children's benefits usually were continued. Benefits for children were paid until they reached age 18 in all but two systems, which specified age 17.

Illustrative Benefits for a Widow and Children

The data below show illustrative benefits, derived from table 42, for selected survivors (widow aged 28 and children aged 4 and 6) of a member with 10 years service who died of non-service-connected causes at age 30. The increase in benefits at the higher salary level is less than proportionate, especially for the families with children, reflecting the influence of flat-rate benefit provisions (including the additional flat-rate benefits for children under various formulas) and the minimum benefits provisions. Overall, the diversity of benefit provisions results in a broad interquartile range.

Survivor	Benefit amount at salary interval		Percentage of salary replaced at specified intervals			
	$400	$600	$400	$600	$400	$600
	Median		Median		Interquartile range	
Widow	$94	$131	24	22	13–34	9–34
Widow and 1 child	135	174	33	29	19–48	16–43
Widow and 2 children	181	224	45	37	29–50	22–48

[1] These data include information from two systems that calculated the children's benefits as a percentage of the widow's basic benefits and these formulas have, for analytical purposes, been converted to percentage-of-salary equivalents.

Illustrative Benefits to a Widow Aged 50

The data below show the illustrative benefits for a 50-year-old widow of a member who died of non-service-connected causes at age 55 after 25 years of service (table 43). Under many systems, the benefits for this widow are the same as those specified for the younger one (age 28), but in the remaining systems the benefit, based on the accrued credits of the deceased member, is larger. As a consequence, benefits replaced 37 and 32 percent of salary at the $400 and $600 salary levels, respectively, compared with corresponding figures of 24 and 22 percent for the younger widow.

Subject	Benefit amount at salary interval	
	$400	$600
Median	$146	$194
Percentage of salary replaced:		
Median	37	32
Interquartile range	28–46	28–38

Lump-Sum Payments

The questionnaire asked if the system makes a lump-sum payment to the survivor of a deceased member, in lieu of, or in addition to, the return of the member's contributions. Information is not available as to whether these lump sums are still payable if the survivors are eligible for monthly benefits.

Some type of lump sum payment was reported by six of the 24 systems, although in two cases the references apparently were to a group life insurance policy in force for the employees. The other four systems reported lump sums of $1,000, $1,500, or $4,000 (reduced to $2,000 at later ages).

SERVICE-CONNECTED BENEFITS

All of the retirement systems responding in the survey provided benefits to widows, regardless of their age, and additional benefits were usually paid for children. No age or service requirements were required on the part of the deceased member, except under two systems, one of which required only 6 months of service (table 44). The average level of benefits payable was considerably higher than that for non-service-connected deaths, although some systems paid the same amounts.

Computation of Benefit Amounts

The most common method of computing the widow's benefits was to provide her a specified percentage of her husband's final average salary, a method used by 17 systems with 70 percent of the employees. This method was used to a greater extent than was true in the calculation of non-service-connected death benefits. The remaining systems paid either a flat-rate amount (four systems) or a benefit based on accrued credits or contributions (three systems). Additional benefits for children were paid by 17 systems and these were either an additional specified percentage of salary or a flat-rate amount (table 45).

Of the 17 systems providing a specified percentage of salary, six provided no additional children's benefit, and these usually paid 50 percent of salary to the widow. Nine systems paid a specified percentage of salary to the widow (25–50 percent, but usually 50) and an additional specified percentage to the children, which brought the total benefit for a widow and two children to from 48 to 70 percent of salary, most commonly 60 or 70 percent.[2]

Flat-rate benefits were paid under four systems, generally $90 a month for the widow alone (three systems), but as much as $225 (in the remaining one). The total monthly benefit payable to a widow with two children was $160, $230, or $305. Of the three systems that based the benefit on the member's accrued credits, two paid a benefit of $45–$255, according to contributions and age, plus $30 for each child.

Illustrative Benefits for Widow and Children

The tabulation below, based on data from table 46, shows the illustrative benefits payable to a widow (aged 28) and minor children (aged 4 and 6) of a member with 10 years service who died at age 30 from service-connected causes.

Survivor	Benefit amount at salary interval		Percentage of salary replaced at specified intervals			
	$400	$600	$400	$600	$400	$600
	Median		Median		Interquartile range	
Widow	$204	$281	51	47	47–55	39–49
Widow and 1 child	229	296	57	47	50–65	45–55
Widow and 2 children	262	303	65	51	51–73	48–64

[2] In some formulas, the children's benefit was expressed as a proportion of the widow's benefit and these have been converted to the equivalent percentage of salary for this analysis.

The level of benefits provided is considerably higher than that for non-service-connected death, reflecting the existence of more liberal benefit provisions, while the interquartile range is narrower, indicating greater homogeneity of the service-connected provisions. The extent of wage replacement is somewhat lower at the $600 salary level, especially for widows and children, a situation brought about by the flat-rate benefits (for the widow and/or children) paid under some systems.

Lump-Sum Payments

Answers to the question concerning lump-sum payments in case of service-connected death yielded information that was virtually identical to that obtained in the survey of non-service-connected death provisions, with only one additional system reporting a lump-sum payment in the event of service-connected death.

BENEFITS FOR WIDOWS OF RETIRED MEMBERS

Most police and fire systems provided specified retirement benefits for widows of members who died after retirement, but few systems made available a joint-and-survivor option. (The general systems, on the other hand, made limited use of specified benefit provisions, but widespread use of the joint-and-survivor option arrangement.) A total of 22 systems, which contained 70 percent of the membership, provided specified benefits for the surviving widow, and the remaining two systems, both large ones, made available a joint-and-survivor option (table 47).

The most common method of arriving at the amount payable under the specified benefit provisions was to compute it as a percentage of the deceased member's retirement pension. The 11 systems that did this paid a widow's benefit of from 25 to 100 percent of the pension amount, most commonly 50 percent. Another method, used by six systems, was to pay a specified percentage of the member's final average salary. This percentage varied considerably, from 15 to 50 percent. The remaining five systems that provided specified benefits paid a flat-rate amount of $60 or $90 monthly.

Financing

EMPLOYEE CONTRIBUTIONS

All of the systems in the survey required both employee and employer contributions. The employee contribution rate was applied to total salary in all but three systems, which had maximum contribution bases of $5,808–$7,217. These latter systems apparently apply

the contribution rate to the base salary, rather than the total salary of the employee (table 48).

With two exceptions, all of the systems used a single contribution rate in computing employee contributions. This ranged between 3 and 8⅝ percent, but most commonly it was between 5 and 8 percent. Thus, both the overall range and the concentration of these rates closely paralleled those of the general systems. Of two systems using multiple contribution rates, one large system varied them by age-at-entry and the other on an unknown basis.

EMPLOYER CONTRIBUTIONS

As was noted in connection with the general systems, the figures obtained in response to the request for the "employer's contribution as a percent of total payroll" reflect the replies of those systems using a contribution rate specified in the law (where contributions were made on that basis) and others in which the total amount of employer contribution, however determined, was computed as a percentage of the total payroll. The employer contributions may include contributions made for the purpose of funding liability for past service.

The reporting on employer contributions was incomplete, but some information was received from 17 of the 24 systems. These indicated that employer contributions ranged from 9 to 40 percent of payroll, but were concentrated at the lower end of this range. Contributions of 9–15 percent were reported by 11 systems, 15–18 percent by three systems, and more than 18 percent by three others. Among the seven systems that did not report on this subject, reference was made to obtaining funds from such sources as appropriations, fines, and parking meter revenues.

As these data indicate, the employer contributions tended to be considerably larger than those of the employees. The lowest employer rate reported, in fact, was larger than the highest employee rate. Although the employer's contributions were also generally larger than the employee's contribution under the general systems, the differential between employee and employer contributions was substantially greater under the police and fire systems.

ACTUARIAL STATUS AND FUNDING

The questionnaires for police and fire systems contained a question to determine whether the employer contribution rate was actuarially computed so as to finance the system (together with employee contributions and interest earnings) without any additional funds. Of the 24 systems, nine systems with 67 percent of the membership reported that the employer's contribution was determined in this way. Of these nine, one small system reported that liability for past service had been

completely funded, and the eight others reported that past service liability was being funded and that liability for current service was funded as it accrued.

Among the 15 systems that did not calculate the employer's contributions actuarially, reference was often made to receipt by the retirement funds of monies from appropriations, real estate levies, court fees, fines, and parking meter revenues.

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TABLES

General Systems: Tables 1–22
Systems for Policemen and Firemen: Tables 23–48

TABLE 1.—Requirements for participation in the retirement system, January 1966

Requirement for participation	Systems	Employees (in thousands)
Total	63	1,302.8
Minimum service requirement	7	89.9
3 months	1	3.7
6 months	2	14.3
9 months	1	.9
12 months	3	71.0
Minimum age requirement	1	8.3
Age 18	1	8.3
Maximum age requirement	27	263.5
Age 40	1	.8
Age 50	2	45.8
Age 55	3	39.7
Age 60	20	100.9
Age 70	1	76.4
No requirement for participation	32	955.8

TABLE 2.—Eligibility requirements for normal retirement, January 1966

Retirement age and service requirement for normal retirement	Systems	Employees (in thousands)
Total	63	1,302.8
Age requirement only	32	279.2
Age 60	10	109.7
Age 65	22	169.5
Age and service requirement	31	1,023.7
Age 55 with service of—		
10 years	1	3.0
20 years	1	.9
30 years	4	87.4
Age 60 with service of—		
5 years	1	200.0
8 years	1	50.0
10 years	3	77.0
15 years	1	3.2
20 years	12	251.4
25 years	2	16.3
Age 62 with service of 33 years	1	6.0
Age 65 with service of—		
5 years	3	326.5
20 years	1	1.9
Alternative requirement: [1]		
Age alternative	3	34.0
Age 60	1	3.3
Age 65	2	27.7
Service alternative	9	306.9
30 years	4	12.6
35 years	5	296.3
Age and service alternative	5	138.0
Age 55 with service of 10 years	1	3.7
Age 60 with service of 15 years	2	45.8
Age 65 with service of—		
5 years	1	53.2
10 years	1	35.3

[1] Represents 1 of the alternative eligibility requirements for systems that provide 2 alternative requirements. Generally, the requirement shown here is the one that provides retirement at the later age or permits retirement on the basis of service alone.

TABLE 3.—Provisions for involuntary retirement, January 1966

Provision for involuntary retirement	Systems	Employees (in thousands)
Total	63	1,302.8
With provision for compulsory or automatic retirement	54	1,028.9
Compulsory provision only	33	707.1
Age 65	7	302.8
Age 68	1	18.5
Age 70	24	383.9
Age 73	1	1.9
Automatic provision only	16	237.5
Age 65	5	21.7
Age 67	1	27.2
Age 68	2	5.3
Age 70	8	183.3
Compulsory and automatic provision	5	84.3
Compulsory at age 60, automatic at age 68 [1]	1	3.5
Compulsory at age 65, automatic at—		
Age 68	1	37.5
Age 70 [2]	2	41.0
Compulsory at age 67, automatic at age 72	1	2.3
No compulsory or automatic provision	9	274.0

[1] Provides automatic retirement for women at age 63.
[2] 1 system provides compulsory retirement at age 60, automatic at age 65, for women.

TABLE 4.—Basis for calculating normal retirement benefits and definition of "final average salary," January 1966

Definition of final average salary	Systems	Employees (in thousands)
Total	63	1,302.8
Retirement benefit based on final average salary	62	1,294.6
Average of salary for highest—		
3 years	8	298.8
Any 3	5	77.7
3 consecutive	2	218.2
3 of last 10	1	3.0
5 years	51	899.6
Any 5	23	445.7
5 consecutive	10	151.9
5 of last 10	5	251.5
5 consecutive of last 10	9	45.1
Last 5	3	4.6
5 in 10-year period	1	.8
10 years	3	96.1
10 consecutive	2	36.1
10 of last 15	1	60.0
Retirement benefit based on money purchase formula	1	8.3

TABLE 5.—Formula for calculating normal retirement benefits, January 1966

Formula for calculating benefits	Systems	Employees (in thousands)
Total with benefits based on final average salary	62	1,294.5
Single percentage factor for each year of service	56	1,224.5
1.43 percent	1	34.2
1.50 percent	4	43.8
1.67 percent	20	472.9
1.70 percent	1	6.3
1.75 percent	3	326.5
1.90 percent	1	35.0
2.00 percent	5	129.3
2.17 percent	1	27.2
2.50 percent	20	149.3
Two percentage factors for each year of service	4	67.8
2 percent of first $300 monthly salary plus 1.5 percent over $300	1	12.8
2 percent of first $400 monthly salary plus 1.67 percent over $400	1	5.7
2 percent for 20 years service plus 1 percent for additional years	1	31.1
2.5 percent for 20 years service plus 1.5 percent for additional years	1	18.2
Percentage of salary:		
50 percent of salary plus 0.5 percent for each year over 20 years of service	1	.8
Information not furnished	1	1.5

TABLE 6.—Eligibility requirements for minimum normal retirement benefit and monthly benefit payment, January 1966

Minimum benefit payment	Service requirements (in years)	Systems	Employees (in thousands)
Total		63	1,302.8
With provision for minimum benefit		19	716.1
Monthly benefit amount		10	132.9
Less than $30	10	1	2.7
$30 to $49	15	3	35.8
$50 to $69	10–15	3	66.8
$70 to $89	10	1	18.2
$90 to $100	25	2	9.3
Monthly benefit amount per year of service		8	575.0
$3	Not stated	1	6.0
$3.75	10	1	30.0
$6.33	5	3	326.5
$6.67	5	1	200.0
$7.50	10	1	11.6
$7.80	Not stated	1	.9
Formula based on percentage of salary	15	1	8.3
No provision for minimum benefit		44	586.7

TABLE 7.—Monthly benefits for age-and-service retirement for a male member retiring at age 65, with specified length of service and final average salary, January 1966

Length of service and monthly benefit payment	$400 monthly salary		$500 monthly salary		$600 monthly salary	
	Systems	Employees (in thousands)	Systems	Employees (in thousands)	Systems	Employees (in thousands)
10 years' service						
Total	63	1,302.8	63	1,302.8	63	1,302.8
Not eligible	6	74.8	6	74.8	6	74.8
Under $60	5	78.3	4	44.1		
$60 to $79	17	488.4	3	38.6	4	44.1
$80 to $99	11	373.9	16	489.7	3	38.5
$100 to $119	22	209.6	9	363.3	16	470.6
$120 to $139			23	214.6	9	382.4
$140 to $159					23	214.6
Information not furnished	2	77.9	2	77.9	2	77.9
Median benefit	$88	$83	$108	$103	$129	$124
20 years' service						
Total	63	1,302.8	63	1,302.8	63	1,302.8
Not eligible	1	2.0	1	2.0	1	2.0
Under $130	3	38.6				
$130 to $149	19	543.1	1	34.2		
$150 to $169	10	195.1	18	226.2		
$170 to $189	5	272.9	6	350.7	3	38.5
$190 to $209	23	173.3	7	165.7	18	233.3
$210 to $229			5	272.9	4	339.3
$230 to $249			1	5.0	6	160.0
$250 to $269			22	168.3	4	76.5
$270 to $289					2	202.1
$290 to $309					23	173.3
Information not furnished	2	77.9	2	77.9	2	77.9
Median benefit	$169	$162	$208	$202	$250	$242
30 years' service						
Total	63	1,302.8	63	1,302.8	63	1,302.8
Not eligible						
Under $200	5	78.1				
$200 to $219	22	622.8	1	34.2		
$220 to $239	3	25.2	4	43.8		
$240 to $259	6	108.2	19	277.9	1	34.2
$260 to $279	6	291.1	6	370.1	4	43.8
$280 to $299	1	5.0	1	5.6		
$300 to $319	18	94.6	5	102.6	24	647.2
$320 to $339			4	82.8	1	.8
$340 to $359			1	200.0	1	5.7
$360 to $379			19	99.6	6	120.8
$380 to $399			1	8.3	2	62.5
$400 to $419					2	202.1
$420 to $439					1	5.0
$440 to $459					10	102.9
Information not furnished	2	77.9	2	77.9	2	77.9
Median benefit	$242	$217	$290	$274	$350	$317

TABLE 8.—Eligibility requirements for early retirement, January 1966

Retirement age and service requirement for early retirement	Systems	Employees (in thousands)
Total	63	1,302.8
With provision for early retirement	53	1,219.6
Age requirement only	24	238.2
Age 55	22	191.6
Age 60	2	46.6
Service requirement only	5	101.8
20 years	1	1.5
30 years	4	100.3
Age and service requirement	24	879.6
Age 50 with service of 25 years	1	.9
Age 52 with service of 20 years	1	2.1
Age 55 with service of—		
5 years	2	227.2
10 years	4	54.2
15 years	1	2.3
20 years	4	109.0
25 years	6	338.3
30 years	3	104.3
Age 60 with service of—		
10 years	1	35.3
20 years	1	6.0
No provision for early retirement	10	83.3
Alternative requirement: [1]		
Age alternative	1	3.3
Age 62	1	3.3
Service alternative	21	194.6
20 years	18	94.6
30 years	2	46.6
35 years	1	53.2
Age and service alternative	4	327.6
Age 60 with service of—		
5 years	3	326.5
25 years	1	1.1

[1] Represents 1 of the alternative eligibility requirements for systems that provide 2 alternative requirements. Generally, the requirement shown here is the one that provides retirement at the later age or permits retirement on the basis of service alone.

TABLE 9.—Provisions for adjustment of benefits for retired persons, January 1966

Provision for adjustment	Systems	Employees (in thousands)
Total	63	1,302.7
With provision for automatic adjustment of benefits	10	160.4
Percentage increase each year:		
1 percent	2	36.0
1.5 percent	7	90.1
Adjustment based on wage increase granted active employee	1	34.2
No provision for automatic adjustment	53	1,142.5
Benefit adjusted under legislation	28	508.8
No adjustment in past 3 years	25	633.8

TABLE 10.—Requirements for vesting of benefits, January 1966

Requirement for vesting	Systems	Employees (in thousands)
Total	63	1,302.84
With provision for vesting of benefits	39	1,198.4
Service requirement only	36	1,138.7
1 year	1	11.6
5 years	7	621.7
10 years	11	228.3
15 years	6	91.9
20 years	8	164.2
25 years	3	21.0
Age and service requirement	1	3.3
Age 45 with service of 10 years	1	3.3
Gradual vesting [1]	2	56.3
No provision for vesting	24	104.4

[1] One system provides partial vesting between 10–20 years of service; 1 system, between 15–20 years.

TABLE 11.—Eligibility requirements for non-service-connected disability retirement, January 1966

Eligibility requirement	Systems	Employees (in thousands)
Total	63	1,302.8
With provision for disability retirement	62	1,301.7
Service requirement only	54	1,237.3
2 years	2	45.7
3 years	1	.9
5 years	14	646.4
8 years	1	35.0
10 years	16	359.6
15 years	20	149.7
No requirement	8	64.4
No provision for disability benefit	1	1.1

TABLE 12.—Definition of disability for non-service-connected disability retirement, January 1966

Definition of disability	Systems	Employees (in thousands)
Total with provision for disability retirement	62	1,301.7
Inability to perform usual job	54	1,139.3
Inability to perform any job	7	124.9
No specific definition, discretion exercised by retirement system board	1	37.5

TABLE 13.—Formula for calculating benefits for non-service-connected disability retirement, January 1966

Formula for calculating disability benefits	Systems	Employees (in thousands)
Total with provision for disability retirement	62	1,301.7
Percentage factor for each year of service	44	948.6
Single percentage factor	36	664.4
1.25 percent [1]	1	24.2
1.43 percent	1	14.9
1.50 percent [2]	21	102.6
1.54 percent	1	31.1
1.67 percent	3	11.4
1.75 percent (service extended to age 60) [3]	3	326.5
1.90 percent [4]	1	35.0
2 percent [5]	3	63.9
2.50 percent [6]	2	54.8
Reduced percentage factor	5	247.5
80 percent of 1.50 percent [7]	1	2.0
90 percent of 1.43 percent [8]	1	34.2
90 percent of 1.67 percent [9]	1	200.0
90 percent of 1.67 percent (service extended to age 65) [10]	1	5.0
90 percent of 1.7 percent	1	6.3
Two percentage factors	3	36.7
2 percent of first $400 monthly salary plus 1.67 percent over $400	1	5.7
2 percent of first $300 monthly salary plus 1.5 percent over $300	1	12.8
2.5 percent for first 20 years' service plus 1.5 percent for additional years	1	18.2
Based on retirement benefit for age and service	4	108.3
75 percent of benefit payable at age 60	3	81.1
50 percent of benefit payable at age 67 [11]	1	27.2
Percentage of salary	4	118.8
35 percent	1	76.4
40 percent [12]	1	11.6
50 percent	2	30.8
Money purchase arrangement	9	124.6
Information not furnished	1	1.5
Disability benefits with limited duration [13]	8	192.6

[1] If more than 20 years' service, 1.67 percent, or 1.5 percent plus $150.
[2] 1 system, benefits reduced by 6 percent per year (maximum reduction of 30 percent) under age 60.
[3] Maximum of 60 percent of final average salary.
[4] Plus $0.70 monthly for each year of service. Minimum of 40 percent of salary.
[5] Minimum of $7.80 per month for each year of service or actuarial equivalent of twice the final average salary.
[6] Maximum of 50 percent of final average salary.
[7] Minimum of $40 per month.
[8] Minimum of 25 percent of salary but not more than formula amount based on years of service to age 60.
[9] Minimum of 25 percent of salary.
[10] Maximum of one-third of final average salary.
[11] If less than 10 years' service, 1.5 percent for each year of service.
[12] During first year, benefit of 100-50 percent of salary, decreasing according to length of illness.
[13] These systems provide temporary disability benefits, typically, of 50 percent of salary for a period equal to one-quarter the length of service, with a 5-year maximum. They also generally provide disability retirement based on a money purchase arrangement and are included above where appropriate.

TABLE 14.—Monthly benefit for non-service-connected disability retirement for a member aged 50 with 20 years' service and specified final average salary, January 1966

Monthly benefit payment	$400 monthly salary		$500 monthly salary		$600 monthly salary	
	Systems	Employees (in thousands)	Systems	Employees (in thousands)	Systems	Employees (in thousands)
Total with provision for disability retirement	62	1,301.7	62	1,301.7	62	1,301.7
Under $110	5	70.0	2	9.5	----	----
$110 to $129	22	343.2	3	60.5	2	9.5
$130 to $149	8	140.6	1	14.9	1	2.0
$150 to $169	9	161.6	27	384.3	2	58.5
$170 to $189	1	35.0	5	103.4	23	348.3
$190 to $209	5	103.8	5	139.8	7	64.3
$210 to $229	3	326.5	1	35.0	4	95.7
$230 to $249	----	----	1	3.0	4	134.2
$250 to $269	----	----	8	430.3	----	----
$270 to $289	----	----	----	----	1	35.0
$290 to $309	----	----	----	----	5	103.8
$310 and over	----	----	----	----	4	330.5
Money purchase	7	116.2	7	116.2	7	116.2
Information not furnished	2	4.8	2	4.8	2	4.8
Median benefit	$130	$155	$165	$193	$189	$232

TABLE 15.—Eligibility requirements for monthly survivor benefits for widowed mothers with children, non-service-connected death, January 1966

Age and service of deceased member	Systems	Employees (in thousands)
Total	63	1,302.8
With provision for benefit for widow and children	60	1,296.6
No requirement	12	188.3
Service requirement only	45	1,102.7
1 year	1	200.0
1½ years	11	556.1
2 years	20	147.8
3 years	4	86.1
5 years	5	92.1
10 years	2	19.1
20 years	1	1.5
Age and service requirement	2	4.8
Age 60 with 10 years' service	2	4.8
Information not furnished	1	.8
No provision for benefit	3	6.2

TABLE 16.—Formula for calculating monthly survivor benefits for widowed mothers with children, non-service-connected death, January 1966

Formula for calculating benefits	Systems	Employees (in thousands)
Total with provision for benefit for widowed mother with children	60	1,296.6
Flat-rate benefits for widow with 1 child, the second child, and maximum family benefit	37	959.2
$85, $85, not stated	1	2.9
$130, $45, $255	1	5.1
$130, $90, $250	1	27.2
$140, $50, $190	1	6.3
$150, $35, $185	18	94.6
$175, $75, $250	1	18.2
$180, $70, $250	1	200.0
$186, $50, $236	3	326.5
$190, $60, $250	1	60.0
$191, $63, $254	2	18.2
$192, $62, $254	1	11.6
$200, —, $200	2	59.2
$200, $50, $250	1	34.2
$200, $60, $295	1	30.0
$225, $75, $300	1	35.0
$250, $50, $300	1	31.1
Percentage of salary for widow with 1 child, the second child, and maximum family benefit	7	250.2
60 percent, 15 percent, $275	1	76.4
60 percent, 20 percent, $250	2	68.5
60 percent, 20 percent, $330	1	24.2
75 percent, not stated, $150	3	81.1
Based on accrued pension, contributions, or service	16	87.9
Retirement benefit calculation [1]	7	28.8
Percentage of final average salary for each year of service	4	10.8
Money purchase formula plus $40 monthly for each child	5	47.7

[1] 50–75 percent of accrued retirement benefit.

TABLE 17.—Eligibility requirements for monthly survivor benefits for widows without children, non-service-connected death, January 1966

Age requirement for widow and additional service requirement for member	Systems	Employees (in thousands)
Total	63	1,302.8
With provision for benefit for widow without children [1]	58	1,291.3
No age requirement for widow	42	420.0
Service requirement of 15 years	3	126.0
Age requirement for widow	16	871.3
Age 50	6	398.8
Service requirement of 15 years [2]	5	338.8
Age 55	4	169.1
Age 60	2	43.2
Service requirement of 15 years	1	8.2
Age 62	3	242.0
Age not furnished	1	18.2
No provision for benefit	5	11.5

[1] Generally, the deceased member must have met the same age and service requirements for these benefits as for the benefits for widowed mothers and children (table 16). The additional service requirements which are imposed by some systems are indicated below.
[2] Benefits payable at age 62 if member had less than 15 years' service.

TABLE 18.—Formula for calculating monthly survivor benefits for widows without children, non-service-connected death, January 1966

Formula for calculating benefits	Systems	Employees (in thousands)
Total with provision for benefits for widow without children	58	1,291.3
Flat-rate benefit	35	974.6
$65	1	5.1
$70	2	6.3
$90	1	260.0
$96	3	326.5
$100	23	275.3
$105	1	14.9
$125	3	119.5
$130	1	27.2
Percentage of salary	7	218.7
25 percent	1	6.0
30 percent, maximum $200 monthly	4	169.1
50 percent, maximum $100 monthly	2	43.6
Based on accrued pensions, contributions, or service	16	98.0
Based on retirement benefit calculation [1]	6	25.3
Percentage of final average salary for each year of service	4	13.4
Money purchase formula	5	47.7
Joint-and-survivor option only	1	11.6

[1] 50-75 percent of accrued retirement benefit.

TABLE 19.—Monthly benefits for selected survivors of a member with 10 years' service who died at age 40, non-service-connected death, with specified final average salary, January 1966

Final average salary and monthly benefit payment	Widow (aged 35) and no children		Widow (aged 35) and 1 child (aged 10)		Widow (aged 35) and 2 children (aged 8 and 10)	
	Systems	Employees (in thousands)	Systems	Employees (in thousands)	Systems	Employees (in thousands)
Total with provision for benefits	58	1,291.3	60	1,296.0	60	1,296.6
$400 monthly salary, monthly benefits of—						
Not eligible	23	1,015.4	3	6.3	3	6.3
Under $40	5	56.9	1	12.8	1	12.8
$40 to $69	5	16.2	3	25.4	2	4.4
$70 to $99	3	11.4	9	43.2	4	14.4
$100 to $129	22	191.5	1	1.6	5	45.6
$130 to $159			23	187.1	4	84.8
$160 to $189			5	544.7	20	101.7
$190 to $219			9	240.5	3	65.5
$220 to $249			5	204.1	3	326.5
$250 to $279			1	31.1	12	544.3
$280 to $309					2	66.1
$310 and over					1	24.2
Median benefit	$104	$107	$152	$191	$191	$239
$500 monthly salary, monthly benefits of—						
Not eligible	23	1,015.4	3	6.3	3	6.3
Under $40	4	44.1				
$40 to $69	5	26.0	2	13.7	2	13.7
$70 to $99	3	9.5	9	59.0	3	9.9
$100 to $129	23	196.5	3	10.2	7	53.6
$130 to $159			23	187.1	4	84.8
$160 to $189			5	544.7	20	101.7
$190 to $219			9	240.5	3	65.5
$220 to $249			1	35.0	3	326.5
$250 to $279			4	175.9	12	544.3
$280 to $309			1	24.2	2	66.1
$310 and over					1	24.2
Median benefit	$105	$107	$152	$191	$191	$239
$600 monthly salary, monthly benefits of—						
Not eligible	23	1,015.4	3	6.3	3	6.3
Under $40	1	21.0				
$40 to $69	6	41.9	2	13.7	2	13.7
$70 to $99	4	11.0	7	50.3	1	.8
$100 to $129	23	200.5	4	17.3	8	61.2
$130 to $159	1	1.6	24	188.7	5	86.3
$160 to $189			5	544.7	20	101.7
$190 to $219			9	240.5	3	65.5
$220 to $249			1	35.0	3	326.5
$250 to $279			4	175.9	12	544.3
$280 to $309					2	66.1
$310 and over			1	24.2	1	24.2
Median benefit	$106	$108	$153	$191	$191	$239

TABLE 20.—Monthly benefits for a widow (aged 55) of a member with 20 years' service who died at age 60, non-service-connected death, with specified final average salary, January 1966

Final average salary and monthly benefit payment	Systems	Employees (in thousands)
Total providing benefits for a widow (aged 55) and no children	56	1,233.1
$400 monthly salary, monthly benefits of—		
Under $60	3	23.1
$60 to $89	11	600.1
$90 to $119	23	107.8
$120 to $149	14	385.1
$150 to $179	1	.8
$180 to $209	2	54.8
$210 to $239	1	60.0
Information not furnished	1	1.5
Median benefit	$111	$98
$500 monthly salary, monthly benefits of—		
Under $80	4	20.4
$80 to $109	28	668.6
$110 to $139	6	65.5
$140 to $169	14	353.4
$170 to $199		
$200 to $229		
$230 to $259	3	114.8
Information not furnished	1	1.5
Median benefit	$115	$115
$600 monthly salary, monthly benefits of—		
Under $80	4	20.4
$80 to $109	6	297.3
$110 to $139	24	497.3
$140 to $169	3	11.9
$170 to $199	12	349.9
$200 to $229	2	6.2
$230 to $259		
$260 to $289	2	74.9
$290 and over	2	54.8
Information not available	1	1.5
Median benefit	$135	$134

TABLE 21.—Monthly benefits for widows of members who died after retirement, January 1966

Provision for benefits	Systems	Employees (in thousands)
Total	63	1,302.8
With provision for specified benefits for widows	21	270.0
Based on member's retirement benefit	11	96.8
50 percent	6	81.0
60–75 percent	3	11.5
100 percent	2	4.3
Based on accrued contributions or service	7	54.2
Based on 30 percent of member's salary	3	119.1
No provision for specified benefits	42	1,032.8
Joint-and-survivor option	39	1,014.9
No joint-and-survivor option	3	17.9
Total with joint-and-survivor option	54	1,272.5

TABLE 22.—Employee contributions and salary bases, January 1966

Employee contribution	Systems	Employees (in thousands)
Total with provision for employee contributions	63	1,302.8
Single percentage of salary	52	1,034.5
4.50 percent [1]	1	2.7
5 percent	21	116.2
5.75 percent	2	52.4
6 percent	14	223.8
6.25 percent	1	60.0
7 percent	8	509.6
7.50 percent [2]	3	24.4
8 percent [3]	2	45.2
Two percentages of salary	2	3.4
3 percent of first $300 monthly salary plus 4 percent over $300	1	1.1
8 percent to age 65, 6.5 percent after 65 [2]	1	2.3
Variable percentages of salary	7	248.2
4.10 to 8.90 percent	1	11.6
4.46 to 8.15 percent	1	1.5
5.11 to 9.58 percent [3]	1	2.1
5.32 to 11.20 percent	1	5.0
6.00 to 10.10 percent	1	.8
6.28 to 11.09 percent [4]	1	200.0
6.97 to 11.95 percent	1	27.2
Information not furnished	2	16.8
Based on percent of total salary	56	1,207.3
Not based on percent of total salary	5	78.7
Annual salary base:		
$7,500 [5]	1	37.5
$8,500	1	2.0
$11,100	1	3.2
$12,600	1	35.0
Information not furnished	1	1.0
Information not furnished	2	16.8

[1] Women, 4 percent.
[2] 1 system, women, 6.5 percent.
[3] Women, 5.87–10.92 percent.
[4] Women, 6.13–11.86 percent.
[5] Alternative plan provides $16,000 annual salary base.

TABLE 23.—Requirements for participation in the retirement system, January 1966

Requirement for participation	Systems	Employees (in thousands)
Total	24	69.4
Minimum service requirement	2	3.8
6 months	1	1.2
15 months	1	2.6
Minimum age requirement	13	33.0
Age 18	1	1.2
Age 19	1	.9
Age 20	1	1.1
Age 21	10	29.8
Maximum age requirement	11	22.0
Age 29	3	4.3
Age 31	1	8.6
Age 35	6	7.7
Age 50	1	1.4
No requirement for participation	11	36.5

TABLE 24.—Eligibility requirements for normal retirement, January 1966

Retirement age and service requirement for normal retirement	Systems	Employees (in thousands)
Total	24	69.4
Age requirement only	2	17.0
Age 55	1	15.0
Age 60	1	2.0
Service requirement only	9	22.7
16 years	1	1.1
20 years	5	13.1
25 years	3	8.5
Age and service requirement	13	29.8
Age 45 with service of 20 years	1	.9
Age 50 with service of—		
20 years	3	5.4
25 years	1	.9
30 years	1	1.4
Age 52 with service of—		
20 years	1	.9
25 years	2	3.4
Age 53 with service of 23 years	1	4.4
Age 55 with service of—		
20 years	1	1.3
25 years	1	10.0
Age 60 with service of 20 years	1	1.1
Alternative requirement:		
Service alternative:		
25 years	1	1.3

TABLE 25.—Provisions for involuntary retirement, January 1966

Provision for involuntary retirement	Systems	Employees (in thousands)
Total	24	69.4
With provision for compulsory or automatic retirement	19	55.2
Compulsory provision only	1	2.0
Age 65	1	2.0
Automatic provision only	16	46.2
Age 55	2	1.8
Age 56	1	1.4
Age 63	2	14.4
Age 64	1	1.4
Age 65	8	23.8
Age 70	2	3.4
Compulsory and automatic provision	2	7.1
Compulsory at age 60, automatic at age 64	1	6.2
Compulsory at age 65, automatic at age 68	1	.9
No compulsory or automatic provision	5	14.2

TABLE 26.—Basis for calculating normal retirement benefits and definition of "final average salary," January 1966

Definition of final average salary	Systems	Employees (in thousands)
Total	24	69.4
Retirement benefit based on final average salary	24	69.4
Average of salary for highest specified number of years	18	61.1
Last 1	2	2.0
Last 2	1	1.4
3 years	3	11.1
Any 3	1	1.3
Last 3	2	9.8
5 years	12	46.6
Any 5	5	5.9
Last 5	5	26.3
5 in 10-year period	2	14.4
Salary of rank	6	8.3
Base salary of rank	3	3.2
Salary of first-class patrolman or fireman	3	5.2

TABLE 27.—Formula for calculating normal retirement benefits, January 1966

Formula for calculating benefits	Systems	Employees (in thousands)
Total with benefits based on final average salary	24	69.4
Single percentage factor for each year of service	8	25.3
1.67 percent	2	3.1
2.00 percent	6	22.2
Two percentage factors for each year of service	2	16.1
2.0 percent per year for 25 years, plus 1 percent for additional years	1	15.0
2.5 percent per year for 20 years, plus 1 percent for additional years	1	1.1
Percentage of salary	3	3.3
50 percent	3	3.3
Percentage of salary when eligible for retirement plus percentage factor for each additional year of service	6	17.4
30 percent plus 1 percent for additional years	1	1.3
40 percent plus 2 percent per year to 5, plus 1.67 percent for additional years	1	8.6
50 percent plus 1 percent for additional years	1	.9
50 percent plus 1.5 percent for additional years	2	2.2
50 percent plus 2 percent for additional years	1	4.4
Percentage of salary when eligible for retirement plus additional amounts	5	7.4
42.5 percent plus $2 per month for each additional year of service	1	1.3
50 percent plus $5 per month for each additional year of service	2	2.7
50 percent plus $20 per month	1	.9
50 percent plus $1 per month for each year of service	1	2.6

TABLE 28.—Monthly benefits for age-and-service retirement for a male member retiring at age 55, with specified length of service and final average salary, January 1966

Length of service and monthly benefit payment	$400 monthly salary		$600 monthly salary	
	Systems	Employees (in thousands)	Systems	Employees (in thousands)
20 years' service				
Total	24	69.4	24	69.4
Not eligible	6	12.8	6	12.8
Under $100	1	2.0	----	----
$100 to $139	1	1.3	1	2.0
$140 to $179	5	36.0	1	1.2
$180 to $219	6	6.9	1	1.3
$220 to $259	3	4.8	5	36.2
$260 to $299	----	----	1	.9
$300 and over	----	----	7	9.5
Information not furnished	2	5.6	2	5.6
Median benefit	$203	$172	$260	$252
30 years' service				
Total	24	69.4	24	69.4
Not eligible	3	4.3	3	4.3
Under $180	2	3.3	----	----
$180 to $219	6	15.5	2	3.2
$220 to $259	9	42.1	1	1.3
$260 to $299	2	1.8	1	1.3
$300 to $339	----	----	6	30.5
$340 to $379	1	1.4	9	26.7
$380 to $399	----	----	1	.9
Information not furnished	1	1.1	1	1.1
Median benefit	$230	$230	$340	$336

TABLE 29.—Eligibility requirements for early retirement, January 1966

Retirement age and service requirement for early retirement	Systems	Employees (in thousands)
Total	24	69.4
With provision for early retirement	6	33.9
Age requirement only	1	10.0
Age 50	1	10.0
Service requirement only	3	18.1
20 years	2	3.1
25 years	1	15.0
Age and service requirement	2	5.8
Age 50 with service of—		
10 years	1	4.4
25 years	1	1.4
No provision for early retirement	18	35.5

TABLE 30.—Provisions for adjustment of benefits for retired persons, January 1966

Provision for adjustment	Systems	Employees (in thousands)
Total	24	69.4
With provision for automatic adjustment of benefits	7	18.1
Percentage increase of 1.5 percent annually	1	4.4
Adjustment based on wage increase granted active employees	5	12.4
Adjustment based on average hourly earnings of production workers in local area	1	1.3
No provision for automatic adjustment	17	51.4
Benefit adjusted under legislation	3	17.5
No adjustment in past 3 years	14	33.9

TABLE 31.—Requirements for vesting of benefits, January 1966

Requirement for vesting	Systems	Employees (in thousands)
Total	24	69.4
With provision for vesting of benefits	6	25.3
Service requirement only	4	9.1
10 years	2	5.3
20 years	2	3.8
Age and service requirement	1	6.2
Age 40 with service of 8 years	1	6.2
Information not supplied	1	10.0
No provision for vesting	18	44.1

TABLE 32.—Eligibility requirements for non-service-connected disability retirement, January 1966

Eligibility requirement	Systems	Employees (in thousands)
Total	24	69.4
With provision for disability retirement	22	67.0
Service requirement only	13	44.6
6 months	1	.9
1 year	1	1.4
5 years	6	34.3
10 years	2	3.2
15 years	3	4.1
No requirement	9	23.1
No provision for disability benefit	2	2.4

TABLE 33.—Definition of disability for non-service-connected disability retirement, January 1966

Definition of disability	Systems	Employees (in thousands)
Total with provision for disability retirement	22	67.0
Inability to perform usual job	15	41.1
Inability to perform any job	2	3.0
No specific definition, discretion exercised by retirement system board	5	22.9

TABLE 34.—Formula for calculating benefits for non-service-connected disability retirement, January 1966

Formula for calculating disability benefits	Systems	Employees (in thousands)
Total with provision for disability retirement	22	67.0
Percentage factor for each year of service	8	31.6
1.5 percent [1]	3	18.1
2.0 percent [2]	4	11.0
2.5 percent plus $1 for each year of service	1	[*] 2.5
Percentage of salary	9	17.9
30–50 percent [3]	1	.9
33 percent	2	2.2
40 percent	1	8.6
50 percent [4]	5	6.2
Percentage of salary plus additional benefit	3	3.1
22.5 percent plus 2 percent of salary for each year of service for 20 years plus $2 monthly for additional years	1	1.3
50 percent plus 1.5 percent of salary for additional years of service beyond 20	1	.9
50 percent plus $20 monthly	1	.9
Money purchase arrangement	2	14.4
Disability benefits with limited duration	2	14.4

[1] 1 system, minimum of 40 percent; 1 system, minimum of 25 percent of salary; 1 system, service extended to age 60.
[2] 2 systems, minimum of 20 percent of salary.
[3] 30 percent if less than 10 years' service, 40 percent for 10–15 years' service, 50 percent is over 15 years' service.
[4] 1 system, benefit is reduced by 6 percent for each year that service is under 25 years.

TABLE 35.—Monthly benefits for non-service-connected disability retirement for a member aged 30, with specified length of service and final average salary, January 1966

Length of service and monthly benefit payment	$400 monthly salary		$600 monthly salary	
	Systems	Employees (in thousands)	Systems	Employees (in thousands)
5 years' service				
Total	22	67.0	22	67.0
Not eligible	5	7.3	5	7.3
Under $60	3	5.9	----	----
$60 to $99	1	6.2	3	6.0
$100 to $139	4	4.5	2	7.6
$140 to $179	2	23.6	----	----
$180 to $219	4	4.2	4	4.3
$220 to $259	1	.9	2	23.6
$260 to $299	----	----	1	.9
$300 and over	----	----	3	3.0
Money purchase	2	14.4	2	14.4
Median benefit	$138	$165	$197	$244
10 years' service				
Total	22	67.0	22	67.0
Not eligible	3	4.1	3	4.1
Under $100	3	9.6	----	----
$100 to $139	5	8.1	4	11.0
$140 to $179	4	25.7	2	4.6
$180 to $219	3	3.0	3	3.4
$220 to $259	2	2.0	4	25.7
$260 to $299	----	----	1	.9
$300 and over	----	----	3	2.9
Money purchase	2	14.4	2	14.4
Median benefit	$163	$165	$215	$244

TABLE 36.—Definition of disability for service-connected disability retirement, January 1966

Definition of disability	Systems	Employees (in thousands)
Total	24	69.4
With provision for disability retirement	24	69.4
Inability to perform usual job	17	43.8
Inability to perform any job	2	2.7
No specific definition, discretion exercised by retirement system board	5	22.9

TABLE 37.—Formula for calculating benefits for service-connected disability retirement, January 1966

Formula for calculating disability benefits	Systems	Employees (in thousands)
Total with provision for disability retirement	24	69.4
Percentage of salary		
50 percent	14	52.9
67 percent	5	5.3
75 percent	4	24.6
90 percent [1]	4	14.4
	1	8.6
Percentage of salary plus additional for service		
30 percent plus 1.5 percent for each year of service over 20 years	4	6.0
30 percent for 0–9 years' service, 40 percent for 10–15 years, 50 percent over 15 years	1	1.3
42.5 percent plus $2 per month for each year over 20 years	1	.9
50 percent plus $1 per month for each year of service	1	1.3
	1	2.5
Percentage of salary plus additional for children	3	6.7
50 percent plus $20 per month plus $40 per month for each child	1	.9
60 percent plus 25 percent of basic benefit for first child, 15 percent for second child [2]	1	1.4
75 percent plus $10 per month for each child	1	4.4
Amount equal to age-and-service retirement pension	3	3.9

[1] 50–90 percent, depending on degree of disability.
[2] Benefit equal to full salary payable for 1st year of disability.

TABLE 38.—Monthly benefits for service-connected disability retirement for a member aged 30, with specified length of service and final average salary, January 1966

Length of service and monthly benefit payment [1]	$400 monthly salary		$600 monthly salary	
	Systems	Employees (in thousands)	Systems	Employees (in thousands)
5 years' service				
Total	24	69.4	24	69.4
$120 to $159	2	2.2		
$160 to $199	2	2.5	3	3.4
$200 to $239	9	11.4		
$240 to $279	5	26.0	1	1.3
$280 to $319	5	18.9	9	11.4
$320 to $359				
$360 to $399 [2]	1	8.6	1	1.4
$400 to $439			6	39.0
$440 and over [2]			4	13.0
Median benefit	$220	$267	$307	$400
10 years' service				
Total	24	69.4	24	69.4
$120 to $159	1	1.3		
$160 to $199	3	3.3	2	2.5
$200 to $239	9	11.4		
$240 to $279	5	26.0	2	2.1
$280 to $319	5	18.8	9	11.4
$320 to $359				
$360 to $399 [2]	1	8.6	1	1.4
$400 to $439			6	39.0
$440 and over [2]			4	13.0
Median benefit	$220	$267	$310	$400

[1] Excludes additional amount payable to children.
[2] Represents maximum amount payable for the 1 system which pays variable benefits based on degree of disability.

TABLE 39.—Coverage under State workmen's compensation law and offset of disability benefit, January 1966

Workmen's compensation coverage	Systems	Employees (in thousands)
Total with provision for service-connected disability retirement	24	69.4
Covered by workmen's compensation	10	25.1
Disability benefits reduced [1]	7	9.0
Disability benefits not reduced	3	16.1
Not covered by workmen's compensation	13	42.4
Information not furnished	1	2.0

[1] Disability benefits payable by the retirement system reduced, in whole or in part, by the amount of benefits paid under workmen's compensation.

TABLE 40.—Eligibility requirements for monthly survivor benefits for widows and children, non-service-connected death, January 1966

Service of deceased member	Systems	Employees (in thousands)
Total	24	69.4
With provision for survivor benefits	24	69.4
No requirement	15	51.0
Service requirement only	9	18.5
6 months	1	.9
5 years	1	8.6
10 years	3	3.5
15 years	1	1.4
20 years	3	4.1

TABLE 41.—Formula for calculating monthly survivor benefits for widows and children, non-service-connected death, January 1966

Formula for calculating benefits	Systems	Employees (in thousands)
Total with provision for survivor benefits	24	69.4
Flat-rate benefits for widow only, for widow with 1 child and with 2 children	5	6.3
$60	1	.9
$60, $80, $100	1	1.1
$90, $125, $160	2	3.4
$90, $180, $230 [1]	1	.9
Percentage of salary	12	28.8
Percentage of salary for widow and no benefits for children	3	3.9
22.5 percent [2]	1	1.3
50 percent [3]	2	2.6
Percentage of salary for widow only, and additional flat-rate benefit for widow with 1 child and with 2 children	1	1.3
30 percent,[4] $15, $30	1	1.3
Percentage of salary for widow only, for widow with 1 child and with 2 children	8	23.7
20 percent, 34 percent, 49 percent [5]	1	6.2
25 percent, 35 percent, 45 percent	2	3.1
25 percent,[6] 50 percent	1	2.6
33 percent, 46 percent, 48 percent	2	1.9
33 percent, 42 percent, 47 percent [7]	1	1.3
40 percent, 50 percent, 56 percent [7]	1	8.6
Based on accrued pension, contributions, or service	7	34.4
Retirement benefit calculation, reduced actuarially or otherwise	4	5.0
Money purchase arrangement [8]	2	25.0
$45–225 based on contributions and age, plus $30 for each child	1	4.4

[1] Maximum family benefit of $230.
[2] Plus 2 percent of salary for each year of service to 20 years, plus $2 monthly for additional years.
[3] 1 system reduced by 6 percent for each year of service less than 25 years.
[4] Plus 1 percent of salary for each year of service over 20 years.
[5] Minimum benefit for widow only of $80 monthly. Alternative benefit available under joint-and-survivor option.
[6] Plus $0.50 monthly for each year of service.
[7] Formulas of these systems provide a percentage of salary for the widow and an additional percentage of the widow's benefit for the children. The formulas have been converted to the percent of salary as shown.
[8] For 1 system with 10,000 employees, additional $40 monthly for each child.

TABLE 42.—Monthly benefits for selected survivors of a member with 10 years' service who died at age 30, non-service-connected death, with specified final average salary, January 1966

Final average salary and monthly benefit payment	Widow (aged 28) and no children		Widow (aged 28) and 1 child (aged 6)		Widow (aged 28) and 2 children (aged 4 and 6)	
	Systems	Employees (in thousands)	Systems	Employees (in thousands)	Systems	Employees (in thousands)
Total	24	69.4	24	69.4	24	69.4
$400 monthly salary, monthly benefits of—						
Not eligible	5	6.4	5	6.4	5	6.4
Under $60	2	14.4	----	----	1	.9
$60 to $89	6	12.5	4	16.4	3	15.5
$100 to $139	7	10.1	4	10.9	5	7.0
$140 to $179	2	9.8	5	6.6	7	15.3
$180 to $219	1	1.2	5	14.2	2	9.5
$220 to $239	----	----	----	----	1	15.0
Money purchase	1	15.0	1	15.0		
Median benefit	$107	$94	$150	$135	$182	$181
$600 monthly salary, monthly benefits of—						
Not eligible	5	6.4	5	6.4	5	6.4
Under $60	2	14.4	----	----	----	----
$60 to $99	5	6.3	4	16.4	1	.9
$100 to $139	1	6.2	2	3.4	3	15.5
$140 to $179	3	5.6	1	6.2	2	3.4
$180 to $219	5	5.6	5	6.6	2	2.5
$220 to $259	2	9.8	3	3.5	4	9.4
$260 to $299	----	----	1	.9	4	5.3
$300 and over	----	----	2	11.1	2	11.2
Money purchase	1	15.0	1	15.0	1	15.0
Median benefit	$147	$131	$193	$174	$227	$224

TABLE 43.—Monthly benefits for a widow (aged 50) of a member with 25 years' service who died at age 55, non-service-connected death, with specified final average salary, January 1966

Final average salary and monthly benefit payment	Systems	Employees (in thousands)
Total	24	69.4
$400 monthly salary, monthly benefits of—		
$60 to $99	4	5.4
$100 to $139	9	16.4
$140 to $179	4	18.4
$180 to $219	5	13.4
$220 to $259	1	.9
Information not furnished	1	15.0
Median benefit	$125	$146
$600 monthly salary, monthly benefits of—		
$60 to $99	4	5.4
$100 to $139	----	----
$140 to $179	7	14.2
$180 to $219	6	20.9
$220 to $259	2	2.2
$260 to $299	----	----
$300 to $339	4	11.8
Information not furnished	1	15.0
Median benefit	$185	$194

TABLE 44.—Eligibility requirements for monthly survivor benefits for widows and children, service-connected death, January 1966

Service of deceased member	Systems	Employees (in thousands)
Total	24	69.4
With provision for survivor benefits	24	69.4
No requirement	22	66.9
Service requirement only	2	2.5
6 months	1	.9
20 years	1	1.6

TABLE 45.—Formula for calculating monthly survivor benefits for widows and children, service-connected death, January 1966

Formula for calculating benefits	Systems	Employees (in thousands)
Total with provision for survivor benefits	24	69.4
Flat-rate benefits for widow only, for widow with 1 child and with 2 children	4	5.2
$90, $125, $160	2	3.4
$90, $180, $230	1	.9
$225, $265, $305	1	.9
Percentage of salary	17	48.2
Percentage of salary for widow and no benefits for children	6	20.6
42.5 percent [1]	1	1.3
50 percent [2]	5	19.3
Percentage of salary for widow only, and additional flat-rate benefit for widow with 1 child and with 2 children	2	2.7
30 percent, [3] $15, $30	1	1.3
50 percent, $16, $20	1	1.4
Percentage of salary for widow only, for widow with 1 child and with 2 children	9	24.9
25 percent, [4] 50 percent	1	2.6
33 percent, 46 percent, 48 percent	1	.9
46 percent, 56 percent, 66 percent	1	6.2
50 percent, 55 percent, 60 percent	1	.9
50 percent, 60 percent, 70 percent	2	3.1
50 percent, 62.5 percent, 70 percent [5]	3	11.2
Based on contributions or pension	3	16.0
$45–225 based on contributions and age, plus $30 for each child	2	14.4
50 percent of pension amount	1	1.6

[1] Plus $2 monthly for each year of service over 20 years.
[2] 1 system, plus annuity based on contributions.
[3] Plus 1 percent of salary for each year of service over 20 years.
[4] Plus $0.50 monthly for each year of service.
[5] Formulas of these systems provide a percentage of salary for the widow and an additional percentage of the widow's benefit for the children. The formulas have been converted to the percent of salary as shown.

TABLE 46.—Monthly benefits for selected survivors of a member with 10 years' service who died at aged 30, service-connected death, with specified final average salary, January 1966

Final average salary and monthly benefit payment	Widow (aged 28) and no children		Widow (aged 28) and 1 child (aged 6)		Widow (aged 28) and 2 children (aged 4 and 6)	
	Systems	Employees (in thousands)	Systems	Employees (in thousands)	Systems	Employees (in thousands)
Total	24	69.4	24	69.4	24	69.4
$400 monthly salary, monthly benefits of—						
Not eligible	1	1.6	1	1.6	1	1.6
Under $100	3	4.3	----	----	----	----
$100 to $139	3	4.8	3	4.7	----	----
$140 to $179	1	1.3	1	1.3	4	6.0
$180 to $219	11	39.9	9	25.2	6	21.8
$220 to $259	4	16.2	7	24.5	4	4.2
$260 to $299	----	----	2	10.9	6	23.6
$300 to $339	1	1.4	----	----	2	10.9
$340 to $379	----	----	1	1.4	----	----
$380 to $419	----	----	----	----	1	1.4
Median benefit	$198	$204	$213	$229	$235	$262
$600 monthly salary, monthly benefits of—						
Not eligible	1	1.6	1	1.6	1	1.6
Under $100	3	4.3	----	----	----	----
$100 to $139	----	----	2	3.4	----	----
$140 to $179	1	2.6	----	----	2	3.4
$180 to $219	3	3.4	3	3.5	2	2.5
$220 to $259	4	16.6	2	5.7	2	2.2
$260 to $299	1	6.2	3	11.8	2	5.4
$300 to $339	11	34.7	8	29.1	7	32.0
$340 to $379	----	----	5	14.3	2	1.8
$380 to $419	----	----	----	----	2	7.6
$420 and over	----	----	----	----	4	12.9
Median benefit	$271	$281	$291	$296	$304	$303

TABLE 47.—Monthly benefits for widows of members who died after retirement, January 1966

Provision for benefits	Systems	Employees (in thousands)
Total	24	69.4
With provision for specified benefits for widows	22	48.2
Based on member's retirement benefit	11	25.6
25 percent	1	19.0
33 percent	1	.9
50 percent [1]	5	9.4
67 percent	1	1.3
100 percent	3	4.0
Based on member's salary	6	16.3
15 percent	1	2.0
25 percent [2]	2	3.7
33 percent	1	.9
50 percent [3]	2	9.8
Flat amounts	5	6.3
$60	2	2.0
$90	3	4.3
No provision for specified benefits	2	21.2
Joint-and-survivor option	2	21.2
Total with joint-and-survivor option	4	23.4

[1] 1 system, 25–50 percent.
[2] 1 system, plus $0.50 per month for each year of service.
[3] 1 system, 40–50 percent.

TABLE 48.—Employee contributions and salary bases, January 1966

Employee contribution	Systems	Employees (in thousands)
Total with provision for employee contributions	24	69.4
Single percentage of salary	22	53.2
3.0 percent	1	2.6
4.0 percent	2	3.4
5.0 percent	5	10.4
6.0 percent	4	11.7
6.5 percent	2	2.7
7.0 percent	4	5.4
7.5 percent	2	2.5
8.0 percent	1	10.0
8.6 percent	1	4.4
Variable percentages of salary	2	16.3
5.73 to 8.62 percent	1	15.0
5.90 to 6.81 percent	1	1.3
Based on percent of total salary	21	64.6
Not based on percent of total salary	3	4.8
Annual salary base:		
$5,808	1	2.6
$6,600	1	.9
$7,217	1	1.4

APPENDIX TABLES

General Systems: Tables A–I

Systems for Policemen and Firemen: Tables J–P

TABLE A.—Retirement systems included in survey, by number of active members, January 1966

Retirement system	Members
Total, 63 systems	1,302,841
Alaska: Alaska State Teachers Retirement Fund	3,204
California:	
Los Angeles City Employees Retirement System	14,889
Oakland Municipal Employees Retirement System	2,100
Orange County Employees Retirement System	4,982
California State Teachers Retirement System	199,965
University of California Retirement System	27,193
Los Angeles Water and Power Employees Retirement Plan	11,618
Colorado:	
Colorado Public Employees Retirement Association	53,188
Denver Public School Employees Pension and Benefit Association	6,619
Connecticut:	
Connecticut State Teachers Fund and Teachers Retirement Association	31,034
Waterbury Retirement System	1,936
Florida:	
City of Tampa Employees Retirement Fund	3,000
Miami Beach Employees Retirement System	911
Teachers Retirement System of Florida	60,059
Georgia: Atlanta General Employees Pension Fund	12,809
Illinois:	
Cook County Annuity and Benefit Fund	13,000
Greater Chicago Metropolitan Sanitary District Employees Annuity and Benefit Fund	2,280
Chicago Laborers Retirement Board Employees Annuity	7,772
Chicago Municipal Employees Annuity-Benefit Fund	21,000
Chicago Park Employees and Retirement Board Employees Annuity and Benefit Fund	3,661
Chicago Public School Teachers Pension and Retirement Fund	24,212
Illinois State Employees Retirement System	50,000
Teachers Retirement System of State of Illinois	76,350
University Retirement System of Illinois	18,566
Kentucky: Teachers Retirement System of Kentucky	30,000
Louisiana:	
Louisiana School Employees Retirement System	8,278
Louisiana State Employees Retirement System	35,340
Teachers Retirement System of Louisiana	37,509
Maine: Maine State Retirement System	34,241
Massachusetts:	
Barnstable County Retirement Association	1,736
[illegible]e Town Retirement System	1,100
Cambridge Retirement System	1,945
Fall River Contributory Retirement System	1,677
Somerville Contributory Retirement System	1,144
Essex County Retirement System	2,295
Hampden County Retirement System	1,340
Holyoke Contributory Retirement System	1,024
Lawrence Retirement Fund	1,184
Lynn City Contributory Retirement System	1,525
Massachusetts Teachers Retirement System	46,673
New Bedford City Retirement System	1,535
Newton Retirement System	1,713
Plymouth County Retirement System	2,440
Quincy Retirement System	1,852
State-Boston Retirement System	19,000
Worcester County Retirement System	2,487
Worcester Retirement System	3,820
Minnesota:	
Minneapolis Teachers Retirement Fund Association	3,318
Minneapolis Municipal Employees Retirement Board	5,094
St. Paul Teachers Retirement Fund	2,000
Missouri: Public School Retirement System	35,000
Nebraska: Omaha Public Power District Retirement Board	1,114
Nevada: Nevada Public Employees Retirement System	18,200
New Jersey:	
Employees Retirement System of Essex County	1,566
Jersey City Municipal Employees Pension Fund	800
Ohio:	
Ohio State Teachers Retirement System	99,000
Ohio Public Employees Retirement System	167,000
City of Cincinnati Retirement System	6,318
Ohio State School Employees Retirement System	60,500
Tennessee: Memphis Light-Gas and Water Retirement and Pension System	2,696
Texas:	
Dallas Employees Retirement Fund	5,656
Fort Worth Employees Retirement Fund	3,491
Virginia: Employees Retirement System of Roanoke	1,515

TABLE B.—Retirement for age and service: Number of men awarded benefits and average monthly benefit amount, for selected retirement systems, fiscal 1965

Retirement system	Total retirement awards		Under age 62 [1]	
	Number	Average monthly benefit	Percent of total	Average monthly benefit
Total, 44 systems [2]	4,954	$235	20	$249
Alaska: Alaska State Teachers Retirement Fund	6	274	[3]	[3]
California:				
Orange County Employees Retirement System	18	255	[3]	[3]
California State Teachers Retirement System	461	532	46	400
University of California Retirement System	28	658	[3]	[3]
Los Angeles Water and Power Employees Retirement Plan	232	334	16	304
Colorado: Denver Public School Employees Pension and Benefit Association	23	225	[3]	[3]
Connecticut: Connecticut State Teachers Fund and Teachers Retirement Association	43	378	53	348
Florida:				
City of Tampa Employees Retirement Fund	25	129	40	125
Miami Beach Employees Retirement System	18	250	39	373
Georgia: Atlanta General Employees Pension Fund	23	177	[4]	[4]
Illinois:				
Cook County Annuity and Benefit Fund	97	193	19	175
Greater Chicago Metropolitan Sanitary District Employees Annuity and Benefit Fund	68	300	19	372
Chicago Laborers Retirement Board Employees Annuity	94	166	9	188
Chicago Municipal Employees Annuity-Benefit Fund	335	295	7	197
Chicago Park Employees and Retirement Board Employees Annuity and Benefit Fund	81	181	20	178
Chicago Public School Teachers Pension and Retirement Fund	85	510	28	450
Illinois State Employees Retirement System	381	166	28	148
Teachers Retirement System of State of Illinois	217	368	43	270
University Retirement System of Illinois	87	369	15	363
Kentucky: Teachers Retirement System of Kentucky	91	165	33	133
Louisiana: Louisiana School Employees Retirement System	64	112	25	103
Massachusetts:				
Barnstable County Retirement Association	20	138	[4]	[4]
Brookline Town Retirement System	8	239	----	----
Fall River Contributory Retirement System	8	188	----	----
Somerville Contributory Retirement System	8	230	[3]	[3]
Hampden County Retirement System	14	141	43	106
Holyoke Contributory Retirement System	12	275	[3]	[3]
Lawrence Retirement Fund	10	232	----	----
New Bedford City Retirement System	12	146	[3]	[3]
Newton Retirement System	9	220	[3]	[3]
Worcester County Retirement System	34	188	18	205
Worcester Retirement System	15	167	----	----
Minnesota:				
Minneapolis Teachers Retirement Fund Association	21	321	29	426
Minneapolis Municipal Employees Retirement Board	103	228	32	181
Nebraska: Omaha Public Power District Retirement Board	15	256	[3]	[3]
New Jersey: Employees Retirement System of Essex County	20	250	35	300
Ohio:				
Ohio Public Employees Retirement System	1,572	140	9	139
Ohio State School Employees Retirement System	495	131	13	109
Tennessee: Memphis Light-Gas and Water Retirement and Pension System	34	235	44	273
Texas: Fort Worth Employees Retirement Fund	47	237	28	249
Virginia: Employees Retirement System of Roanoke	8	104	----	----

[1] Based on systems for which age data were available.
[2] Includes 3 systems with 5 or less retirement awards, not shown separately.
[3] Not shown where number of awards is 5 or less.
[4] Not available.

TABLE C.—Retirement for age and service: Number of women awarded benefits and average monthly benefit amount, for selected retirement systems, fiscal 1965

Retirement system	Total retirement awards		Under age 62 [1]	
	Number	Average monthly benefit	Percent of total	Average monthly benefit
Total, 44 systems [2]	6,339	$238	28	$213
Alaska: Alaska State Teachers Retirement Fund	16	194	56	183
California:				
Orange County Employees Retirement System	21	138	48	122
California State Teachers Retirement System	1,838	325	52	250
University of California Retirement System	8	341	----	----
Los Angeles Water and Power Employees Retirement Plan	44	149	34	172
Colorado: Denver Public School Employees Pension and Benefit Association	34	266	29	306
Connecticut: Connecticut State Teachers Fund and Teachers Retirement Association	243	349	40	332
Florida: City of Tampa Employees Retirement Fund	7	92	[3]	[3]
Georgia: Atlanta General Employees Pension Fund	72	268	[4]	[4]
Illinois:				
Cook County Annuity and Benefit Fund	79	129	20	113
Chicago Laborers Retirement Board Employees Annuity	34	73	18	71
Chicago Municipal Employees Annuity-Benefit Fund	168	172	13	137
Chicago Park Employees and Retirement Board Employees Annuity and Benefit Fund	17	103	[3]	[3]
Chicago Public School Teachers Pension and Retirement Fund	428	458	36	383
Illinois State Employees Retirement System	376	122	26	106
Teachers Retirement System of State of Illinois	955	244	36	178
University Retirement System of Illinois	51	201	24	210
Kentucky: Teachers Retirement System of Kentucky	346	154	31	119
Louisiana: Louisiana School Employees Retirement System	6	105	[3]	[3]
Massachusetts:				
Barnstable County Retirement Association	9	140	[4]	[4]
Brookline Town Retirement System	9	130	----	----
Fall River Contributory Retirement System	16	145	[3]	[3]
Somerville Contributory Retirement System	7	148	[3]	[3]
Hampden County Retirement System	10	205	[3]	[3]
Holyoke Contributory Retirement System	6	150	[3]	[3]
Lynn City Contributory Retirement System	9	185	[3]	[3]
New Bedford City Retirement System	10	136	[3]	[3]
Newton Retirement System	15	135	[3]	[3]
Quincy Retirement System	9	191	[3]	[3]
Worcester County Retirement System	13	174	[3]	[3]
Worcester Retirement System	35	189	[3]	[3]
Minnesota:				
Minneapolis Teachers Retirement Fund Association	74	243	14	389
Minneapolis Municipal Employees Retirement Board	60	173	43	138
St. Paul Teachers Retirement Fund	35	311	[3]	[3]
New Jersey: Employees Retirement System of Essex County	14	200	64	200
Ohio:				
Ohio Public Employees Retirement System	789	115	20	100
Ohio State School Employees Retirement System	451	81	24	80
Virginia: Employees Retirement System of Roanoke	6	40	----	----

[1] Based on systems for which age data were available.
[2] Includes 6 systems with 5 or less retirement awards, not shown separately.
[3] Not shown where number of awards is 5 or less.
[4] Not available.

TABLE D.—Retirement for age and service: Number of persons on beneficiary rolls, by sex, for selected retirement systems, at end of fiscal 1965

Retirement system	Retirees			
	Men		Women	
	Number	Percent under age 62	Number	Percent under age 62
Total, 38 systems	47,732	9	65,450	23
Alaska: Alaska State Teachers Retirement Fund	20	30	72	28
California:				
Los Angeles City Employees Retirement System	1,385	6	698	16
Orange County Employees Retirement System	178	8	124	15
California State Teachers Retirement System	4,405	38	22,004	47
University of California Retirement System	308	1	149	5
Los Angeles Water and Power Employees Retirement Plan	2,134	3	372	15
Colorado: Denver Public School Employees Pension and Benefit Association	165	1	685	3
Florida:				
City of Tampa Employees Retirement Fund	201	21	123	41
Miami Beach Employees Retirement System	102	19	11	36
Illinois:				
Cook County Annuity and Benefit Fund	746	10	796	8
Greater Chicago Metropolitan Sanitary District Employees Annuity and Benefit Fund	619	6	32	3
Chicago Laborers Retirement Board Employees Annuity	900	7	470	10
Chicago Municipal Employees Annuity-Benefit Fund	2,731	7	1,428	12
Chicago Park Employees and Retirement Board Employees Annuity and Benefit Fund	874	4	211	13
Chicago Public School Teachers Pension and Retirement Fund	905	6	5,451	10
Illinois State Employees Retirement System	3,135	4	2,831	5
Teachers Retirement System of State of Illinois	2,926	17	10,812	14
University Retirement System of Illinois	830	5	585	5
Kentucky: Teachers Retirement System of Kentucky	671	32	2,140	28
Louisiana:				
Louisiana School Employees Retirement System	839	3	90	3
Louisiana State Employees Retirement System	1,875	3	836	7
Massachusetts:				
Somerville Contributory Retirement System	42	14	54	7
Hampden County Retirement System	124	11	93	14
Lawrence Retirement Fund	84	11	57	7
Lynn City Contributory Retirement System	75	13	121	25
New Bedford City Retirement System	149	8	80	16
Newton Retirement System	77	18	83	31
Quincy Retirement System	57	2	105	10
Worcester County Retirement System	270	8	197	10
Worcester Retirement System	124	9	306	8
Minnesota:				
Minneapolis Municipal Employees Retirement Board	1,408	18	1,012	17
St. Paul Teachers Retirement Fund	51	----------	591	2
Nebraska: Omaha Public Power District Retirement Board	137	1	19	----------
Ohio:				
Ohio Public Employees Retirement System	13,903	2	9,048	6
Ohio State School Employees Retirement System	4,284	3	3,588	4
Tennessee: Memphis Light-Gas and Water Retirement and Pension System	222	18	21	24
Texas:				
Dallas Employees Retirement Fund	395	5	117	29
Fort Worth Employees Retirement Fund	381	4	38	11

TABLE E.—Retirement for disability: Number of persons awarded benefits and average monthly benefit amount, by sex, for selected retirement systems, fiscal 1965

Retirement system	Disability awards			
	Men		Women	
	Number	Average monthly benefit	Number	Average monthly benefit
Total, 37 systems [1]	416	$186	371	$184
California:				
California State Teachers Retirement System	13	202	71	228
Los Angeles Water and Power Employees Retirement Plan	22	238	(2)	(2)
Connecticut: Connecticut State Teachers Fund and Teachers Retirement Association	(2)	(2)	8	215
Georgia: Atlanta General Employees Pension Fund	(2)	(2)	6	168
Illinois:				
Chicago Public School Teachers Pension and Retirement Fund	(2)	(2)	18	345
Teachers Retirement System of State of Illinois	0	----------	25	122
Kentucky: Teachers Retirement System of Kentucky	20	210	43	179
Louisiana:				
Louisiana School Employees Retirement System	14	77	(2)	(2)
Teachers Retirement System of Louisiana	6	154	23	173
Massachusetts:				
Brookline Town Retirement System	7	388	(2)	(2)
Lynn City Contributory Retirement System	7	272	(2)	(2)
New Bedford City Retirement System	9	278	(2)	(2)
Worcester Retirement System	33	352	(2)	(2)
Minnesota: Minneapolis Municipal Employees Retirement Board	9	134	(2)	(2)
Ohio:				
Ohio State Teachers Retirement System	16	294	62	223
Ohio Public Employees Retirement System	153	135	62	123
Ohio State School Employees Retirement System	49	133	30	76
Tennessee: Memphis Light-Gas and Water Retirement and Pension System	6	101	0	----------
Texas: Fort Worth Employees Retirement Fund	11	80	0	----------

[1] Includes 18 systems with 5 or less disability awards, not shown separately.
[2] Not shown where number of awards is 5 or less.
[3] Not available.

TABLE F.—Retirement for disability: Number of men on beneficiary rolls, for selected retirement systems, at end of fiscal 1965

Retirement system	Total men disability retirees	Percent under age 62 [1]
Total, 39 systems [2]	2,874	67
California:		
Los Angeles City Employees Retirement System	108	51
Orange County Employees Retirement System	23	35
California State Teachers Retirement System	356	73
Los Angeles Water and Power Employees Retirement Plan	69	70
Colorado: Denver Public School Employees Pension and Benefit Association	21	24
Florida:		
City of Tampa Employees Retirement Fund	49	35
Miami Beach Employees Retirement System	11	73
Illinois:		
Cook County Annuity and Benefit Fund	24	67
Greater Chicago Metropolitan Sanitary District Employees Annuity and Benefit Fund	46	85
Chicago Laborers Retirement Board Employees Annuity	100	20
Chicago Park Employees and Retirement Board Employees Annuity and Benefit Fund	43	81
Chicago Public School Teachers Pension and Retirement Fund	33	52
Teachers Retirement System of State of Illinois	51	55
Kentucky: Teachers Retirement System of Kentucky	116	92
Louisiana:		
Louisiana School Employees Retirement System	39	21
Louisiana State Employees Retirement System	136	66
Massachusetts:		
Brookline Town Retirement System	42	90
Fall River Contributory Retirement System	61	13
Somerville Contributory Retirement System	44	59
Essex County Retirement System	19	42
Hampden County Retirement System	9	44
Holyoke Contributory Retirement System	14	50
Lawrence Retirement Fund	35	34
Lynn City Contributory Retirement System	58	83
New Bedford City Retirement System	59	39
Newton Retirement System	36	94
Quincy Retirement System	32	53
Worcester County Retirement System	35	21
Worcester Retirement System	170	64
Missouri: Public School Retirement System	41	[3]
New Jersey: Employees Retirement System of Essex County	28	36
Ohio:		
Ohio Public Employees Retirement System	634	83
Ohio State School Employees Retirement System	229	78
Tennessee: Memphis Light-Gas and Water Retirement and Pension System	21	76
Texas:		
Dallas Employees Retirement Fund	32	81
Fort Worth Employees Retirement Fund	63	56

[1] Based on systems for which age data were available.
[2] Includes 3 systems with 5 or less retirees, not shown separately.
[3] Age data not available.

TABLE G.—Retirement for disability: Number of women on beneficiary rolls for selected retirement systems, at end of fiscal 1965

Retirement system	Total women disability retirees	Percent under age 62 [1]
Total, 38 systems [2]	4,287	74
California:		
Los Angeles City Employees Retirement System	67	82
California State Teachers Retirement System	2,219	83
Los Angeles Water and Power Employees Retirement Plan	22	100
Colorado: Denver Public School Employees Pension and Benefit Association	56	18
Florida: City of Tampa Employees Retirement Fund	29	38
Illinois:		
Cook County Annuity and Benefit Fund	88	19
Chicago Laborers Retirement Board Employees Annuity	86	23
Chicago Park Employees and Retirement Board Employees Annuity and Benefit Fund	21	86
Chicago Public School Teachers Pension and Retirement Fund	190	53
Teachers Retirement System of State of Illinois	262	52
Kentucky: Teachers Retirement System of Kentucky	291	92
Louisiana:		
Louisiana School Employees Retirement System	10	10
Louisiana State Employees Retirement System	90	72
Massachusetts:		
Fall River Contributory Retirement System	6	17
Lynn City Contributory Retirement System	9	33
New Bedford City Retirement System	9	33
Worcester Retirement System	26	12
Minnesota:		
Minneapolis Teachers Retirement Fund Association	19	32
St. Paul Teachers Retirement Fund	10	20
Missouri: Public School Retirement System	172	(3)
New Jersey: Employees Retirement System of Essex County	20	25
Ohio:		
Ohio Public Employees Retirement System	358	83
Ohio State School Employees Retirement System	163	75

[1] Based on systems for which age data were available.
[2] Includes 15 systems with 5 or less retirees, not shown separately.
[3] Age data not available.

TABLE H.—Survivor benefits: Number of women survivors on beneficiary rolls and average monthly benefit amount, for selected retirement systems, at end of fiscal 1965

Retirement system	Total women survivors		Under age 62 [1]	
	Number	Average monthly benefit	Percent of total	Average monthly benefit
Total[1], 43 systems [2]	14,295	$108	35	
California:				
Los Angeles City Employees Retirement System	151	171	30	$139
Orange County Employees Retirement System	44	159	43	209
California State Teachers Retirement System	658	234	56	208
University of California Retirement System	56	232	85	199
Los Angeles Water and Power Employees Retirement Plan	276	150	33	172
Colorado: Denver Public School Employees Pension and Benefit Association	6	96	(3)	(3)
Connecticut: Connecticut State Teachers Fund and Teachers Retirement Association	69	161	(4)	(4)
Florida:				
City of Tampa Employees Retirement Fund	59	84	66	91
Miami Beach Employees Retirement System	78	92	54	81
Illinois:				
Cook County Annuity and Benefit Fund	513	65	26	77
Greater Chicago Metropolitan Sanitary District Employees Annuity and Benefit Fund	490	74	30	72
Chicago Laborers Retirement Board Employees Annuity	737	58	36	61
Chicago Municipal Employees Annuity and Benefit Fund	3,290	73	26	67
Chicago Park Employees Retirement Board Employees Annuity and Benefit Fund	585	63	27	74
Chicago Public School Teachers Pension and Retirement Fund	161	131	45	138
Teachers Retirement System of State of Illinois	171	211	72	232
University Retirement System of Illinois	158	135	56	125
Kentucky: Teachers Retirement System of Kentucky	103	92	46	82
Louisiana: Louisiana State Employees Retirement System	393	96	41	109
Massachusetts:				
Barnstable County Retirement Association	55	85	(4)	(4)
Brookline Town Retirement System	52	103	19	174
Fall River Contributory Retirement System	55	154	(4)	(4)
Somerville Contributory Retirement System	56	119	55	161
Hampden County Retirement System	49	89	49	82
Holyoke Contributory Retirement System	26	100	46	100
Lawrence Retirement Fund	82	91	55	84
Lynn City Contributory Retirement System	66	136	(4)	(4)
New Bedford City Retirement System	48	119	71	135
Newton Retirement System	69	100	87	100
Quincy Retirement System	54	146	54	153
Worcester County Retirement System	102	91	43	101
Worcester Retirement System	89	195	(4)	(4)
Minnesota:				
Minneapolis Municipal Employees Retirement Board	87	159	(4)	(4)
St. Paul Teachers Retirement Fund	7	116	(3)	(3)
Missouri: Public School Retirement System	47	125	(4)	(4)
New Jersey: Employees Retirement System of Essex County	300	250	17	200
Ohio:				
Ohio Public Employees Retirement System	3,376	122	37	153
Ohio State School Employees Retirement System	1,080	91	32	123
Tennessee: Memphis Light-Gas and Water Retirement and Pension System	142	141	41	153
Texas:				
Dallas Employees Retirement Fund	181	(4)	57	(4)
Fort Worth Employees Retirement Fund	231	85	42	95
Virginia: Employees Retirement System of Roanoke	42	68	(4)	(4)

[1] Based on systems for which age data are available.
[2] Includes 1 system with 5 or less survivors, not shown separately.
[3] Not shown where number of survivors is 5 or less.
[4] Not available.

TABLE I.—Survivors benefits: Number of surviving children under age 18 on beneficiary rolls and average monthly benefit amount, for selected retirement systems, at end of fiscal 1965

Retirement system	Surviving children	Average monthly benefit
Total, 35 systems [1]	2,481	$54
California:		
California State Teachers Retirement System	303	$83
University of California Retirement System	66	65
Los Angeles Water and Power Employees Retirement Plan	44	71
Colorado: Denver Public School Employees Pension and Benefit Association	15	65
Connecticut: Connecticut State Teachers Fund and Teachers Retirement Association	90	56
Florida: City of Tampa Employees Retirement Fund	16	13
Illinois:		
Cook County Annuity and Benefit Fund	130	19
Greater Chicago Metropolitan Sanitary District Employees Annuity and Benefit Fund	55	22
Chicago Laborers Retirement Board Employees Annuity	103	14
Chicago Municipal Employees Annuity-Benefit Fund	404	20
Chicago Park Employees and Retirement Board Employees Annuity and Benefit Fund	66	30
Chicago Public School Teachers Pension and Retirement Fund	64	54
Illinois State Employees Retirement System	12	105
Teachers Retirement System of State of Illinois	69	90
University Retirement System of Illinois	109	77
Kentucky: Teachers Retirement System of Kentucky	117	62
Louisiana: Louisiana State Employees Retirement System	154	141
Massachusetts:		
Barnstable County Retirement Association	7	45
Somerville Contributory Retirement System	35	35
Holyoke Contributory Retirement System	15	50
Lawrence Retirement Fund	10	47
Lynn City Contributory Retirement System	36	31
New Bedford City Retirement System	30	33
Newton Retirement System	27	45
Quincy Retirement System	25	43
Worcester County Retirement System	15	(2)
Worcester Retirement System	176	(2)
Minnesota: Minneapolis Municipal Employees Retirement Board	40	50
Ohio: Ohio State School Employees Retirement System	30	112
Texas:		
Dallas Employees Retirement Fund	71	(2)
Fort Worth Employees Retirement Fund	68	20

[1] Includes 5 systems with 3 or less survivors, not shown separately.
[2] Not available.

TABLE J.—Retirement systems included in survey, by number of active members, January 1966

Retirement system	Number
Total, 24 systems	69,444
California:	
Los Angeles Fire and Police Pension System	8,555
Oakland Police and Fire Retirement System	1,293
Illinois:	
Chicago Policemen's Annuity Benefit Fund	10,000
Chicago Firemen's Annuity and Benefit Fund	4,448
Indiana: Indiana State Police Pension Fund	886
Louisiana:	
New Orleans Firemen's Pension and Relief Fund	880
New Orleans Police Pension Fund	1,080
Michigan:	
Michigan State Police Pension Accident and Disability Fund	1,400
Detroit Policeman and Fireman Retirement System	6,199
Missouri:	
St. Louis Firemen's Retirement System	1,135
St. Louis Police Retirement System	1,956
New Jersey: Police and Firemen's Retirement System of New Jersey	15,000
Ohio:	
Cleveland Firemen's Relief and Pension Fund	1,350
Cleveland Police Relief and Pension Fund	2,043
State Highway Patrol Retirement System	933
Oregon: Portland Fire and Police Disability and Retirement Fund	1,379
Pennsylvania:	
Pittsburgh Firemen's Relief and Pension Fund	1,004
Pittsburgh Policemen's Relief and Pension Fund	1,600
Texas:	
Dallas Police, Fire, and Fire Alarm Operators Pension Fund	2,551
Houston Firemen's Relief and Pension Fund	1,261
San Antonio Police Fire and Alarms Operators Pension Fund	1,231
Houston Police Officers Pension System	1,317
Washington:	
Seattle Firemen's Pension Fund	947
Seattle Police Relief and Pension Fund	906

TABLE K.—Retirement for age and service: Number of persons awarded benefits and average monthly benefit amount, by sex, for selected retirement systems, fiscal 1965

Retirement system	Total retirement awards		Under age 55 [1]	
	Number	Average monthly benefit	Percent of total	Average monthly benefit
Men				
Total men, 21 systems [2]	1,037	$334	42	
California: Los Angeles Fire and Police Pension System	128	455	63	$393
Illinois:				
Chicago Policemen's Annuity Benefit Fund	273	309	(4)	(3)
Chicago Firemen's Annuity and Benefit Fund	135	360	17	280
Indiana: Indiana State Police Pension Fund	14	194	86	187
Louisiana: New Orleans Firemen's Pension and Relief Fund	26	272	38	263
Michigan:				
Michigan State Police Pension Accident and Disability Fund	53	420	100	420
Detroit Policeman and Fireman Retirement System	69	322	45	323
Missouri:				
St. Louis Firemen's Retirement System	37	265		
St. Louis Police Retirement System	15	263	(4)	(4)
Ohio:				
Cleveland Police Relief and Pension Fund	39	336	(3)	(3)
State Highway Patrol Retirement System	20	367	95	360
Oregon: Portland Fire and Police Disability and Retirement Fund	16	336	62	322
Pennsylvania:				
Pittsburgh Firemen's Relief and Pension Fund	54	303	19	259
Pittsburgh Policemen's Relief and Pension Fund	71	282	18	267
Texas:				
Dallas Police, Fire, and Fire Alarm Operators Pension Fund	13	265	62	264
Houston Firemen's Relief and Pension Fund	14	269	57	232
Houston Police Officers Pension System	11	208	(4)	(4)
Washington:				
Seattle Firemen's Pension Fund	21	317	90	320
Seattle Police Relief and Pension Fund	20	327		
Women				
Total women, 4 systems [5]	18		(4)	(4)
Washington: Seattle Firemen's Pension Fund	12	131	(4)	(4)

[1] Based on systems for which age data were available.
[2] Includes 2 systems with 5 or less awards, not shown separately.
[3] Not available.
[4] Not shown where number of awards is 5 or less.
[5] Includes 3 systems with 5 or less awards, not shown separately.

TABLE L.—Retirement for age and service: Number of persons on beneficiary rolls, by sex, for selected retirement systems, at end of fiscal 1965

Retirement system	Total retirees	Percent under age 62 [1]
Men		
Total men, 14 systems	10,750	40
California: Los Angeles Fire and Police Pension System	2,503	28
Illinois: Chicago Policemen's Annuity Benefit Fund	3,260	6
Michigan: Detroit Policeman and Fireman Retirement System	2,363	35
Missouri: St. Louis Police Retirement System	437	17
New Jersey: Police and Firemen's Retirement System of New Jersey	35	20
		9
Ohio: State Highway Patrol Retirement System	88	80
Oregon: Portland Fire and Police Disability and Retirement Fund	274	9
Pennsylvania:		
Pittsburgh Firemen's Relief and Pension Fund	452	32
Pittsburgh Policemen's Relief and Pension Fund	442	14
Texas:		
Dallas Police, Fire, and Fire Alarm Operators Pension Fund	197	29
Houston Firemen's Relief and Pension Fund	98	30
San Antonio Police Fire and Alarms Operators Pension Fund	127	12
Houston Police Officers Pension System	83	43
Washington: Seattle Firemen's Pension Fund	391	22
Women		
Total women, 4 systems [2]	224	37
California: Los Angeles Fire and Police Pension System	16	38
Washington: Seattle Firemen's Pension Fund	205	38

[1] Based on systems for which age data were available.
[2] Includes 2 systems with 5 or less retirees, not shown separately.

TABLE M.—Retirement for disability: Number of persons awarded benefits and average monthly benefit amount, by sex, for selected retirement systems, fiscal 1965

Retirement system	Disability awards	
	Number	Average monthly benefit
Men		
Total men, 16 systems [1]	218	$348
California: Los Angeles Fire and Police Pension System	44	414
Illinois: Chicago Firemen's Annuity and Benefit Fund	19	340
Louisiana: New Orleans Firemen's Pension and Relief Fund	8	208
Michigan: Detroit Policeman and Fireman Retirement System	24	328
Missouri: St. Louis Police Retirement System	8	342
New Jersey: Police and Firemen's Retirement System of New Jersey	45	389
Ohio: Cleveland Firemen's Relief and Pension Fund	9	363
Texas:		
Dallas Police, Fire, and Fire Alarm Operators Pension Fund	9	261
San Antonio Police Fire and Alarms Operators Pension Fund	6	222
Washington:		
Seattle Firemen's Pension Fund	21	327
Seattle Police Relief and Pension Fund	12	311
Women		
Total women, 2 systems [2]	6	.....

[1] Includes 5 systems with 5 or less awards, not shown separately.
[2] Each system has 5 or less awards, not shown separately.

TABLE N.—Retirement for disability: Number of persons on beneficiary rolls, by sex, for selected retirement systems, at end of fiscal 1965

Retirement system	Total disability retirees	Percent under age 62[1]
Men		
Total men, 17 systems [2]	2,270	65
California:		
Los Angeles Fire and Police Pension System	748	85
Oakland Police and Fire Retirement System	107	52
Illinois: Chicago Policemen's Annuity Benefit Fund	85	100
Michigan:		
Michigan State Police Pension Accident and Disability Fund	8	100
Detroit Policeman and Fireman Retirement System	377	54
Missouri: St. Louis Police Retirement System	183	55
New Jersey: Police and Firemen's Retirement System of New Jersey	175	74
Ohio:		
Cleveland Firemen's Relief and Pension Fund	94	0
State Highway Patrol Retirement System	7	71
Pennsylvania:		
Pittsburgh Firemen's Relief and Pension Fund	14	29
Pittsburgh Policemen's Relief and Pension Fund	7	71
Texas:		
Dallas Police, Fire, and Fire Alarm Operators Pension Fund	127	70
Houston Firemen's Relief and Pension Fund	75	52
San Antonio Police Fire and Alarms Operators Pension Fund	65	9
Houston Police Officers Pension System	16	50
Washington: Seattle Firemen's Pension Fund	180	52
Women		
Total women, 5 systems [3]	151	76
California: Los Angeles Fire and Police Pension System	30	83
Illinois: Chicago Policemen's Annuity Benefit Fund	12	100
Washington: Seattle Firemen's Pension Fund	105	73

[1] Based on systems for which age data were available.
[2] Includes 1 system with 5 or less retirees, not shown separately.
[3] Includes 2 systems with 5 or less retirees, not shown separately.

TABLE O.—Survivors benefits: Number of women survivors on beneficiary rolls and average monthly benefit amount, for selected retirement systems, at end of fiscal 1965

Retirement system	Total women survivors		Under age 62 [1]	
	Number	Average monthly benefit	Percent of total	Average monthly benefit
Total, 18 systems [2]	5,645	$226	27	.....
California: Los Angeles Fire and Police Pension System	1,391	394	32	$351
Illinois: Chicago Policemen's Annuity Benefit Fund	2,700	.....	(3)	(3)
Louisiana: New Orleans Firemen's Pension and Relief Fund	272	65	.....	.....
Michigan:				
Michigan State Police Pension Accident and Disability Fund	39	250	90	250
Detroit Policeman and Fireman Retirement System	24	260	(3)	(3)
Missouri:				
St. Louis Firemen's Retirement System	109	92	(3)	(3)
St. Louis Police Retirement System	211	83	45	98
Ohio:				
Cleveland Firemen's Relief and Pension Fund	366	90	(3)	(3)
State Highway Patrol Retirement System	20	90	90	90
Pennsylvania:				
Pittsburgh Firemen's Relief and Pension Fund	18	128	(3)	(3)
Pittsburgh Policemen's Relief and Pension Fund	18	155	50	(3)
Texas:				
Dallas Police, Fire, and Fire Alarm Operators Pension Fund	222	130	34	130
Houston Firemen's Relief and Pension Fund	127	112	37	154
San Antonio Police Fire and Alarms Operators Pension Fund	153	110	76	110
Houston Police Officers Pensions System	70	201	41	197
Washington:				
Seattle Firemen's Pension Fund	203	144	14	284
Seattle Police Relief and Pension Fund	60	172	(3)	(3)

[1] Based on systems for which age data were available.
[2] Includes 1 system with 5 or less survivors, not shown separately.
[3] Not available.

TABLE P.—Survivors benefits: Number of surviving children under age 18 on beneficiary rolls and average monthly benefit amount, for selected retirement systems, at end of fiscal 1965

Retirement system	Surviving children	Average monthly benefit
Total, 14 systems [1]	1,032	$39
Illinois:		
Chicago Policemen's Annuity Benefit Fund	451	(2)
Chicago Firemen's Annuity and Benefit Fund	198	30
Michigan: Michigan State Police Pension Accident and Disability Fund	7	10
Missouri: St. Louis Police Retirement System	44	42
Ohio:		
Cleveland Firemen's Relief and Pension Fund	65	35
Cleveland Police Relief and Pension Fund	87	35
State Highway Patrol Retirement System	26	90
Texas:		
Dallas Police, Fire, and Fire Alarm Operators Pension Fund	39	74
Houston Firemen's Relief and Pension Fund	37	48
San Antonio Police Fire and Alarms Operators Pension Fund	27	45
Houston Police Officers Pension System	38	23
Washington:		
Seattle Firemen's Pension Fund	6	29
Seattle Police Relief and Pension Fund	6	48

[1] Includes 1 system with 5 or less survivors, not shown separately.
[2] Not available.

SURVEY QUESTIONNAIRES

General Systems: Pages 105–109

Systems for Policemen and Firemen: Pages 110–115

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE
SOCIAL SECURITY ADMINISTRATION

Budget Bureau No. 72-6503
Approval Expires 6-30-66

SURVEY OF STATE AND LOCAL GOVERNMENT RETIREMENT SYSTEMS

SCHEDULE NO.	RETIREMENT SYSTEM NAME	CITY AND STATE

GENERAL INSTRUCTIONS TO RETIREMENT SYSTEM ADMINISTRATORS

1. The aim of this questionnaire is to obtain information about your retirement system in a form which will permit computations for statistical purposes. A report will be issued and a copy will be sent to you.

2. Most questions can be answered with a check mark or the insertion of a single word or figure. If an answer requires a statement, please make it as brief as possible. If you cannot answer a question, please write "N.A." (not available).

DATA SUPPLIED BY: NAME	TITLE	OFFICIAL ADDRESS

A. GENERAL INFORMATION

(1) For how many employees were contributions being made (either by employees, the employing units, or both) to your retirement system for the payroll period ending nearest January 31, 1966?

_____ Number of employees

(2) Please indicate any special age or service eligibility requirements for membership in your system (i.e., making contributions and/or accruing credits).

a. No requirements (if appropriate, check box) ☐

b. Minimum age requirement for membership _____ Age

c. Maximum age requirement for membership _____ Age

d. Minimum service requirement for membership _____ Number of years

e. Other (please describe) _____

(3) Are retired members eligible to participate in a group health program? ☐ Yes ☐ No

If "yes," does the retired member pay for the entire cost of the health program? ☐ Yes ☐ No

(4) Are your system's benefits to a retired member adjusted to take into account changes in the cost of living without requiring special legislation? ☐ Yes ☐ No

If "yes," please indicate formula used to adjust benefits

_____

_____

If "no," please indicate whether benefits have been adjusted in the past 3 years to take into account changes in the cost of living. ☐ Yes ☐ No

(5) Does your system permit a member to choose to receive a portion of his monthly retirement benefit as a variable payment which will fluctuate with the experience of a common stock fund—typically called a "variable annuity"? ☐ Yes ☐ No

If "yes," what proportion of the members retiring in your fiscal year 1965 chose to receive such payments?

_____ %

(6) Please indicate:

a. The number and average monthly benefit of members who retired (for age and service only) in your fiscal year 1965:

	NUMBER	AVERAGE MONTHLY BENEFIT
Men, all		
Men under age 62		
Women, all		
Women under age 62		

b. The number on the retirement rolls (for age and service only) at the end of your fiscal year 1965:

	NUMBER		NUMBER
Men, all		Women, all	
Men under age 62		Women under age 62	

c. The number and average monthly benefit of members who retired (for disability only) in your fiscal year 1965:

	NUMBER	AVERAGE MONTHLY BENEFIT
Men, all		
Women, all		

d. The number on the rolls (for disability only) at the end of your fiscal year 1965:

	NUMBER		NUMBER
Men, all		Women, all	
Men under age 62		Women under age 62	

c. The number and average monthly benefit of beneficiaries on the rolls at the end of your fiscal year 1965 who are survivors of deceased members:

	NUMBER	AVERAGE MONTHLY BENEFIT
Adult men, all		
Adult men under age 62		
Adult women, all		
Adult women under age 62		
Children under age 18		

B. RETIREMENT FOR AGE AND SERVICE

(1) Please indicate the "normal" retirement age, "normal" service requirements, or combination of age and service at which full retirement benefits are payable to eligible members:

(2) Are retirement benefits based on: (Check one)

- ☐ Straight annuity purchase?
- ☐ An individual's average salary during lifetime?
- ☐ An individual's "final average salary"? (See below)
- ☐ Other (please describe)

If you checked "final average salary," please indicate how "final average salary" is determined:

(3) Please indicate the specific formula used to calculate monthly benefits for a retired member:

(4) What would be the monthly benefit under these conditions for a male member who retired at age 65 on January 1, 1966?

YEARS OF SERVICE COMPLETED	CASE 1 FINAL AVERAGE SALARY $4,800 ($400 MO.) YOUR SYSTEM'S BENEFIT	CASE 2 FINAL AVERAGE SALARY $6,000 ($500 MO.) YOUR SYSTEM'S BENEFIT	CASE 3 FINAL AVERAGE SALARY $7,200 ($600 MO.) YOUR SYSTEM'S BENEFIT
10 years*			
20 years**			
30 years**			

*If retirement benefits are not based on "final average salary," assume average earnings for these 10 years to be $3,840 in case 1, $4,800 in case 2, and $5,760 in case 3.

**If retirement benefits are not based on "final average salary," assume average earnings for the 20 and 30 years to be $2,880 in case 1; $3,600 in case 2; and $4,320 in case 3.

(5) Does your system provide a minimum benefit at normal retirement? ☐ Yes ☐ No

If "yes," please indicate amount of minimum benefit and requirements for eligibility:

Amount of minimum benefit

Requirements for eligibility

(6) Does your system permit retirement with benefits before "normal" retirement age for reasons other than permanent disability? ☐ Yes ☐ No

If "yes," please indicate what requirements of age and service a member would need to fulfill and what reduction, if any, would be made in benefits:

Requirements for early retirement

Reduction in benefits

(7) Does your system provide that a member may work beyond a specified age only with the consent of the employing unit? ☐ Yes ☐ No

If "yes," please indicate specified age _____ Age

(8) Does your system provide that a member may not work beyond a specified age under any conditions? ☐ Yes ☐ No

If "yes," please indicate specified age _____ Age

(9) Approximately what proportion of members retiring for age and service only in fiscal year 1965 were required to retire under the provisions of your system?

_____ %

(10) Is there a provision for vesting of benefit rights before retirement? ☐ Yes ☐ No

If "yes," please indicate:

a. The requirements for vesting _____

b. The approximate proportion of members who terminated their employment in your fiscal year 1965 who would have been eligible for a vested benefit but withdrew their contributions when they terminated, thereby forfeiting their vested benefits:

_____ %

C. DISABILITY BENEFITS

(1) Does your system provide benefits for non-service-connected permanent disability to eligible members? ☐ Yes ☐ No

If "no," please turn to question (7).

(2) What are the minimum eligibility requirements for benefits if disability was non-service-connected? (If not applicable, write "None.")

a. Age _____ Age

b. Years of service _____ Number of years

(3) Which of the following definitions is used to determine eligibility for non-service-connected disability? (Check one)

☐ Inability to perform USUAL job

☐ Inability to perform ANY job

☐ No specific definition—discretion is exercised by Retirement System Board

☐ Other (please specify)

_____

_____

(4) Please indicate specific formula used to calculate monthly benefits for a non-service-connected disability:

_____

_____

(5) If a male member aged 50 and eligible for disability benefits has a non-service-connected disability on January 1, 1966, what monthly benefits would he receive under the following conditions?

YEARS OF SERVICE COMPLETED	CASE 1 FINAL AVERAGE SALARY $4,800 ($400 MO.) YOUR SYSTEM'S BENEFIT	CASE 2 FINAL AVERAGE SALARY $6,000 ($500 MO.) YOUR SYSTEM'S BENEFIT	CASE 3 FINAL AVERAGE SALARY $7,200 ($600 MO.) YOUR SYSTEM'S BENEFIT
20 years*			

*If disability benefits are not based on "final average salary," assume average earnings for these 20 years to be $2,880 in case 1, $3,600 in case 2, and $4,320 in case 3.

(6) Does your system provide additional benefits to the dependents of a member receiving disability benefits? ☐ Yes ☐ No

If "yes," please indicate how benefit amounts are determined and the dependents eligible to receive them:

How determined _____

Dependents eligible to receive benefits

_____

_____

(7) If your system provides monthly disability benefits for a service-connected permanent disability, is your system's monthly disability benefit reduced, in whole or in part, by the amount of the retiree's workmen's compensation benefit? ☐ Yes ☐ No

D. SURVIVOR BENEFITS

(1) Does your system make a lump-sum payment (in lieu of, or in addition to, the return of a deceased member's contributions) to the survivors of a member whose cause of death was non-service-connected? ☐ Yes ☐ No

If "yes," please indicate how the amount of the lump-sum payment is determined:

_____

_____

_____

(2) Does your system provide monthly benefits to survivors of a member whose cause of death was non-service-connected and who died before he retired? ☐ Yes ☐ No

If "no," please turn to question (10).

(3) What are the minimum requirements of eligibility for monthly survivor's benefits as to: (If not applicable, write "None.")

a. Age _____ Age of deceased employee

b. Years of service _____ Number of years

(4) Please indicate specific formula used to calculate monthly survivor's benefits:

(5) If a male member aged 40 had 10 years of service and died on January 1, 1966, what monthly benefits would his survivors receive under the following conditions?

FINAL AVERAGE SALARY	CASE 1 WIDOW (AGE 35) — YOUR SYSTEM'S BENEFIT	CASE 2 WIDOW (AGE 35) & 1 CHILD (AGE 10) — YOUR SYSTEM'S BENEFIT	CASE 3 WIDOW (AGE 35) & 2 CHILDREN (AGE 10, 8) — YOUR SYSTEM'S BENEFIT
$4,800*			
$6,000*			
$7,200*			

*If benefits are not based on "final average salary," assume earnings for entire period of employment to be $1,840 in instance which "final average salary" was $4,800; $4,800 in instance in which "final average salary" was $6,000; and $5,760 in instance in which "final average salary" was $7,200.

(6) Do these monthly benefit payments to the widow cease when:

a. Widow remarries? ☐ Yes ☐ No

b. Youngest child reaches specified age, e.g., 18, 21? ☐ Yes ☐ No

(7) If monthly benefits are payable for children, do these benefits cease when:

a. Widow remarries? ☐ Yes ☐ No

b. Child reaches a specified age, e.g., 18, 21? ☐ Yes ☐ No

If question (7)b was answered "yes," please indicate:

a. Specific age at which benefits to children cease _____ Age

b. Whether child must be attending school full time to receive your system's benefits. ☐ Yes ☐ No

(8) If a currently employed member aged 60 had 20 years of service and died on January 1, 1966, what monthly benefits would his widow aged 55 (with no children) receive under the following conditions?

FINAL AVERAGE SALARY	WIDOW (AGE 55) AND NO CHILDREN — YOUR SYSTEM'S BENEFIT
$4,800*	
$6,000*	
$7,200*	

*If benefits are not based on "final average salary," assume average annual earnings for entire period of employment to be $1,680 in instance in which "final average salary" was $4,800; $5,600 in instance in which "final average salary" was $6,000; and $8,520 in instance in which "final average salary" was $7,200.

(9) Do these monthly benefit payments continue during widow's lifetime? ☐ Yes ☐ No

If "no," please indicate reasons why benefit payments are terminated:

(10) Does your system provide monthly benefits to the widow of a retired member who dies after he has retired (do not include benefits resulting from the typical joint and survivor option or any other optional payment arrangement selected by deceased member)? ☐ Yes ☐ No

If "yes," please describe benefits and eligibility requirements, if any:

Benefits

Eligibility requirements

(11) May a retiring member choose to receive a reduced benefit so that his widow will continue to receive a monthly benefit after his death? ☐ Yes ☐ No

If "yes," please indicate:

a. What proportion of the male members retiring in your fiscal year 1965 elected to receive this reduced benefit? _____ %

b. How the reduction in the member's benefit is determined:

E. CONTRIBUTIONS

(1) Are contributions of a member of your retirement system a percentage of total salary of the member?
☐ Yes ☐ No

If "no," please indicate maximum yearly salary ("base salary") on which employee contributes.

$ _____

(2) What percentage of total salary or "base salary" (if system has a maximum yearly salary limit on contributions) was contributed by a member?

_____ %

If contributions are varied because of a member's age, sex, or type of work performed, etc., please indicate range.

_____ %

(3) Do the employing units match equally a member's contributions? ☐ Yes ☐ No

If "no," please indicate the employer's contribution as a percentage of total payroll.

_____ %

If employer's contributions are not based on a percentage of total payroll, please indicate on what basis employers make contributions, if any.

_____

_____

(4) Is the employer contribution rate actuarially determined so as to finance your system (together with employee contributions and interest earnings) without any additional funds? ☐ Yes ☐ No

(5) Which of the following statements best describes the funding of your system? (Check one)

☐ Liability for past service completely funded; liability for future service funded as it accrues.

☐ Liability for past service is being funded; liability for future service funded as it accrues.

☐ Liability for pensions funded upon retirement of members.

☐ No funding, benefits paid out of retirement fund.

☐ No funding, benefits paid out of general funds of employing units.

☐ Other (please describe)

_____

_____

DEPARTMENT OF HEALTH, EDUCATION AND WELFARE
SOCIAL SECURITY ADMINISTRATION

Budget Bureau No. 72-R150
Approval Expires 6-30-66

SURVEY OF STATE AND LOCAL GOVERNMENT RETIREMENT SYSTEMS
(POLICEMEN AND FIREMEN ONLY)

SCHEDULE NO.	RETIREMENT SYSTEM NAME	CITY AND STATE

GENERAL INSTRUCTIONS TO RETIREMENT SYSTEM ADMINISTRATORS

1. The aim of this questionnaire is to obtain information about your retirement system in a form which will permit computations for statistical purposes. A report will be issued and a copy will be sent to you.

2. Most questions can be answered with a check mark or the insertion of a single word or figure. If an answer requires a statement, please make it as brief as possible. If you cannot answer a question, please write "N.A." (not available).

DATA SUPPLIED BY NAME	TITLE	OFFICIAL ADDRESS

A. GENERAL INFORMATION

(1) For how many employees were contributions being made (either by employees, the employing units, or both) to your retirement system for the payroll period ending nearest January 31, 1966?

_____ Number of employees

(2) Please indicate any special age or service eligibility requirements for membership in your system (i.e., making contributions and/or accruing credits).

a. No requirements (if appropriate, check box) ☐

b. Minimum age requirement for membership _____ Age

c. Maximum age requirement for membership _____ Age

d. Minimum service requirement for membership _____ Number of years

e. Other (please describe) _____

(3) Are retired members eligible to participate in a group health program? ☐ Yes ☐ No

If "yes," does the retired member pay for the entire cost of the health program? ☐ Yes ☐ No

(4) Are your system's benefits to a retired member adjusted to take into account changes in the cost of living without requiring special legislation? ☐ Yes ☐ No

If "yes," please indicate formula used to adjust benefits

If "no," please indicate whether benefits have been adjusted in the past 3 years to take into account changes in the cost of living. ☐ Yes ☐ No

(5) Does your system permit a member to choose to receive a portion of his monthly retirement benefit as a variable payment which will fluctuate with the experience of a common stock fund—typically called a "variable annuity"? ☐ Yes ☐ No

If "yes," what proportion of the members retiring in your fiscal year 1965 chose to receive such payments?

(6) Please indicate:

a. The number and average monthly benefit of members who retired (for age and service only) in your fiscal year 1965:

	NUMBER	AVERAGE MONTHLY BENEFIT
Men, all		
Men under age 55		
Women, all		
Women under age 55		

b. The number on the retirement rolls (for age and service only) at the end of your fiscal year 1965:

	NUMBER		NUMBER
Men, all		Women, all	
Men under age 62		Women under age 62	

c. The number and average monthly benefit of members who retired (for disability only) in your fiscal year 1965:

	NUMBER	AVERAGE MONTHLY BENEFIT
Men, all		
Women, all		

d. The number on the rolls (for disability only) at the end of your fiscal year 1965:

	NUMBER		NUMBER
Men, all		Women, all	
Men under age 62		Women under age 62	

c. The number and average monthly benefit of beneficiaries on the rolls at the end of your fiscal year 1965 who are survivors of deceased members:

	NUMBER	AVERAGE MONTHLY BENEFIT
Adult men, all		
Adult men under age 62		
Adult women, all		
Adult women under age 62		
Children under age 18		

B. RETIREMENT FOR AGE AND SERVICE

(1) Please indicate the "normal" retirement age, "normal" service requirements, or combination of age and service at which full retirement benefits are payable to eligible members:

(2) Are retirement benefits based on: (Check one)

- ☐ Straight annuity purchase?
- ☐ An individual's average salary during lifetime?
- ☐ An individual's "final average salary"? (See below)
- ☐ Other (please describe)?

If you checked "final average salary," please indicate how "final average salary" is determined:

(3) Please indicate the specific formula used to calculate monthly benefits for a retired member:

(4) What would be the monthly benefit under these conditions for a male member who retired at age 55 on January 1, 1966?

YEARS OF SERVICE COMPLETED	CASE 1. FINAL AVERAGE SALARY $4,800 ($400 MO.) — YOUR SYSTEM'S BENEFIT	CASE 2. FINAL AVERAGE SALARY $7,200 ($600 MO.) — YOUR SYSTEM'S BENEFIT
20 years*		
30 years*		

*If retirement benefits are not based on "final average salary," assume average earnings for the 20 and 30 years to be $2,880 in case 1, and $4,320 in case 2.

(5) Does your system permit retirement with benefits before "normal" retirement age for reasons other than permanent disability? ☐ Yes ☐ No

If "yes," please indicate what requirements of age and service a member would need to fulfill and what reduction, if any, would be made in benefits:

Requirements for early retirement

Reduction in benefits

(6) Does your system provide that a member may work beyond a specified age only with the consent of the employing unit? ☐ Yes ☐ No

If "yes," please indicate specified age _____ Age

(7) Does your system provide that a member may not work beyond a specified age under any conditions? ☐ Yes ☐ No

If "yes," please indicate specified age _____ Age

(8) Approximately what proportion of members retiring for age and service in fiscal year 1965 were required to retire under the provisions of your system?

_____ %

(9) If a member resigns before being eligible for retirement, are his contributions returned to him?

☐ Yes ☐ No ☐ Part are returned

If you answered that part of the member's contributions are returned, please indicate what proportion is returned.

_____ %

(10) Some retirement systems permit a member who has resigned from service--provided he has met certain specified age and/or service requirements--to leave his contributions in the system and to become eligible for a benefit on reaching normal retirement. This is commonly called "vesting." Does your system have such a provision? ☐ Yes ☐ No

If "yes," please indicate:

a. The requirements for vesting _____

_____

_____

b. The approximate proportion of members who terminated their employment in your fiscal year 1965 who would have been eligible for a vested benefit but withdrew their contributions when they terminated, thereby forfeiting their vested benefits:

_____%

C. DISABILITY BENEFITS

(1) Does your system provide benefits for non-service-connected permanent disability to eligible members? ☐ Yes ☐ No

If "no," please turn to question (6).

(2) What are the minimum eligibility requirements for benefits if disability was non-service-connected? (If not applicable, write "None.")

a. Age _____ Age

b. Years of service _____ Number of years

(3) Which of the following definitions is used to determine eligibility for non-service-connected disability? (Check one)

☐ Inability to perform USUAL job
☐ Inability to perform ANY job
☐ No specific definition--discretion is exercised by Retirement System Board
☐ Other (please specify)

_____

_____

(4) Please indicate specific formula used to calculate monthly benefits for a non-service-connected disability:

_____

_____

_____

(5) If a male member aged 50 and eligible for disability benefits has a non-service-connected disability on January 1, 1966, what monthly benefits would he receive under the following conditions?

YEARS OF SERVICE COMPLETED	CASE 1: FINAL AVERAGE SALARY $4,800 ($400 MO.) — YOUR SYSTEM'S BENEFIT	CASE 2: FINAL AVERAGE SALARY $7,200 ($600 MO.) — YOUR SYSTEM'S BENEFIT
5 years		
10 years*		

*If disability benefits are not based on "final average salary," assume average earnings for these 10 years to be $3,840 in case 1, and $5,760 in case 2.

(6) Does your system provide benefits for service-connected permanent disability to eligible members? ☐ Yes ☐ No

If "no," please turn to Section D.

(7) What are the minimum eligibility requirements for benefits if disability was service-connected? (If not applicable, write "None.")

a. Age _____ Age

b. Years of service _____ Number of years

(8) Which of the following definitions is used to determine eligibility for service-connected disability? (Check one)

☐ Inability to perform USUAL job
☐ Inability to perform ANY job
☐ No specific definition--discretion is exercised by Retirement System Board
☐ Other (please specify)

_____

_____

(9) Please indicate specific formula used to calculate monthly benefits for a service-connected disability:

_____

_____

_____

(10) If a male member aged 30 and eligible for disability benefits has a service-connected disability on January 1, 1966, what monthly benefits would he receive under the following conditions?

YEARS OF SERVICE COMPLETED	CASE 1: FINAL AVERAGE SALARY $4,800 ($400 MO.) — YOUR SYSTEM'S BENEFIT	CASE 2: FINAL AVERAGE SALARY $7,200 ($600 MO.) — YOUR SYSTEM'S BENEFIT
5 years		
10 years*		

*If disability benefits are not based on "final average salary," assume average earnings for these 10 years to be $3,840 in case 1, and $5,760 in case 2.

(11) Are your members covered by the State's workmen's compensation? ☐ Yes ☐ No

If "yes," are your system's monthly disability benefits reduced, in whole or in part, by the amount of the disabled member's workmen's compensation benefit? ☐ Yes ☐ No

D. SURVIVOR BENEFITS

(1) Does your system make a lump-sum payment (in lieu of, or in addition to, the return of a deceased member's contributions) to the survivors of a member whose cause of death was nonservice-connected? ☐ Yes ☐ No

If "yes," please indicate how the amount of the lump-sum payment is determined:

(2) Does your system provide monthly benefits to survivors of a member whose cause of death was nonservice-connected and who died before he retired? ☐ Yes ☐ No

If "no," please turn to question (8).

(3) What are the minimum requirements of eligibility for monthly survivor's benefits as to: (If not applicable, write "None.")

a. Age _____ Age of deceased employee

b. Years of service _____ Number of years

(4) Please indicate specific formula used to calculate monthly survivor's benefits:

(5) If a male member aged 30 had 10 years of service and died on January 1, 1966, what monthly benefits would his survivors receive under the following conditions?

FINAL AVERAGE SALARY	CASE 1: WIDOW (AGE 28) — YOUR SYSTEM'S BENEFIT	CASE 2: WIDOW (AGE 28) & 1 CHILD (AGE 6) — YOUR SYSTEM'S BENEFIT	CASE 3: WIDOW (AGE 28) & 2 CHILDREN (AGE 6, 4) — YOUR SYSTEM'S BENEFIT
$4,800*			
$7,200*			

*If benefits are not based on "final average salary," assume earnings for entire period of employment to be $3,840 in instance which "final average salary" was $4,800, and $5,760 in instance in which "final average salary" was $7,200.

(6) Do these monthly benefit payments to the widow cease when:

a. Widow remarries? ☐ Yes ☐ No

b. Youngest child reaches specified age, e.g., 18, 21? ☐ Yes ☐ No

(7) If monthly benefits are payable for children, do these benefits cease when:

a. Widow remarries? ☐ Yes ☐ No

b. Child reaches a specified age, e.g., 18, 21? ☐ Yes ☐ No

If question (7)b was answered "yes," please indicate:

a. Specific age at which benefits to children cease _____ Age

b. Whether child must be attending school full time to receive your system's benefits. ☐ Yes ☐ No

(8) Does your system make a lump-sum payment (in lieu of, or in addition to, the return of a deceased member's contributions) to the survivors of a member whose cause of death was service-connected? ☐ Yes ☐ No

If "yes," please indicate how the amount of the lump-sum payment is determined:

(9) Does your system provide monthly benefits to survivors of a member whose cause of death was service-connected and who died before he retired? ☐ Yes ☐ No

If "no," please turn to question (15).

(10) What are the minimum requirements of eligibility for monthly survivor's benefits as to: (If not applicable, write "None.")

a. Age _____ Age of deceased employee

b. Years of service _____ Number of years

(11) Please indicate specific formula used to calculate monthly survivor's benefits:

(12) If a male member aged 55 had 25 years of service and died on January 1, 1965, what monthly benefits would his survivors receive under the following conditions?

FINAL AVERAGE SALARY	CASE 1 WIDOW (AGE 28) — YOUR SYSTEM'S BENEFIT	CASE 2 WIDOW AGE 28 & 1 CHILD (AGE 6) — YOUR SYSTEM'S BENEFIT	CASE 3 WIDOW AGE 28 & 2 CHILDREN (AGE 6, 4) — YOUR SYSTEM'S BENEFIT
$4,800*			
$7,200*			

*If benefits are not based on "final average salary," assume earnings for entire period of employment to be $2,800 in instance which "final average salary" was $4,800, and $5,760 in instance in which "final average salary" was $7,200.

(13) Do these monthly benefit payments to the widow cease when:

a. Widow remarries? ☐ Yes ☐ No

b. Youngest child reaches specified age, e.g., 18, 21? ☐ Yes ☐ No

(14) If monthly benefits are payable for children, do these benefits cease when:

a. Widow remarries? ☐ Yes ☐ No

b. Child reaches a specified age, e.g., 18, 21? ☐ Yes ☐ No

If question (14b) was answered "yes," please indicate:

a. Specific age at which benefits to children cease: _____ Age

b. Whether child must be attending school full time to receive your system's benefits. ☐ Yes ☐ No

(15) If a currently employed member aged 55 had 25 years of service and died (nonservice-connected) on January 1, 1966, what monthly benefits would his widow aged 50 (with no children) receive under the following conditions?

FINAL AVERAGE SALARY	WIDOW (AGE 50) AND NO CHILDREN — YOUR SYSTEM'S BENEFIT
$4,800*	
$7,200*	

*If benefits are not based on "final average salary," assume average annual earnings for entire period of employment to be $2,800 in instance in which "final average salary" was $4,800, and $4,320 in instance in which "final average salary" was $7,200.

(16) Do these monthly benefit payments continue during widow's lifetime? ☐ Yes ☐ No

If "no," please indicate reasons why benefit payments are terminated:

(17) Does your system provide taxable benefits to the widow of a retired member who dies after he has retired (do not include benefits resulting from the typical joint and survivor option or any other optional payment arrangement selected by the deceased member)? ☐ Yes ☐ No

If "yes," please describe benefits and eligibility requirements, if any:

Benefits: _____

Eligibility requirements: _____

(18) May a retiring member choose to receive a reduced benefit so that his widow will continue to receive a monthly benefit after his death: ☐ Yes ☐ No

If "yes," please indicate:

a. What proportion of the male members retiring in your fiscal year 1965 elected to receive this reduced benefit? _____ %

b. How the reduction in the member's benefit is determined:

E. CONTRIBUTIONS

(1) Are contributions of a member of your retirement system a percentage of total salary of the member? ☐ Yes ☐ No

If "no," please indicate maximum yearly salary ("base salary") on which employee contributes.

$ _____

(2) What percentage of total salary or "base salary" (if system has a maximum yearly salary limit on contributions) was contributed by a member? _____ %

If contributions are varied because of a member's age, sex, or type of work performed, etc., please indicate range. _____ %

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U.S. GOVERNMENT PRINTING OFFICE: 1968